



**CHILD CARE OPERATIONS  
CENTER OF EXPERTISE**

Board of Directors  
Child Care  
Resource Book

July 1999

**U.S. GENERAL SERVICES ADMINISTRATION  
PUBLIC BUILDINGS SERVICE**

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## **Chapter 1**

### **INTRODUCTION**

The functions of a Nonprofit Board of Directors are many and impact most aspects of the federal child development center as it operates in space controlled by the U.S. General Services Administration (GSA). The Nonprofit Board management model has proven to be an effective means of ensuring participating agency involvement, commitment to the child development center, and on-going decision making authority. The vast majority of centers operating in GSA space are managed by professional child care providers under contract to Nonprofit Boards.

This resource book will serve as a guide for developing a Nonprofit Board which contracts for child care services. Specific steps and procedures are outlined and sample documents are provided to assist agencies starting Boards and opening centers.

In addition this resource book is designed to assist existing Boards by providing information to develop effective policies for the long term viability of their child care center and ensure growth and success of the Board itself.

### **GSA Child Development Centers - A Perspective**

Since 1985, GSA has worked with federal agencies to accelerate the development and availability of on-site child development facilities. With the passage of the Tribble Amendment (40 U.S.C. 490b) in December 1985, GSA was authorized by law to provide space for child care in Federal buildings under GSA's control. This space is allocated at no charge to individuals or entities to provide child care services for government employees. Other federal agencies, which have their own independent authority to manage or control space also share this authority.

In 1987, the House Committee on Government Operations of the 100th Congress further clarified GSA's role by saying that the agency should serve as a "catalyst" in the process of developing quality, affordable child care centers to meet the needs of working parents. GSA has met that challenge and, a decade later, has worked with many federal agencies to build-out and open more than 100 federal child development centers.

In 1990, GSA established the Office of Child Care and Development Programs (later becoming the Office of Workplace Initiatives and then organized as the Child Care Operations Center of Expertise), to demonstrate its commitment to the 1987 House Committee recommendations. With the enactment of Section 528

(Amendment to 40 U.S.C. 490b) in 1992 (see APPENDIX A for a copy of the law as it currently reads), GSA was given specific statutory authority to oversee child care operations of federal agencies that occupy GSA space and to provide whatever assistance it can to those agencies that do not occupy GSA space.

Today, the Child Care Operations Center of Expertise provides operational guidance and assistance through a network of GSA Regional Child Care Coordinators located throughout the nation. This network ensures consistency and continuity of services provided to customer agencies and further gathers statistical data, information, and research that has enabled GSA to provide valid and reliable operational policy directives. The Regional Child Care Coordinators, in cooperation with the GSA Property Managers and other Regional and National Office personnel, have multiple responsibilities which contribute to the “guidance, assistance, and oversight” required of GSA by federal law (see Chapter 6, Roles and Responsibilities).

When an agency makes a decision to pursue the establishment of an on-site child development center, many factors and variables have to be addressed. A great deal of groundwork and planning is necessary to ensure that the most comprehensive means of development is obtained and that all parts of the process are clearly understood and followed. The Regional Child Care Coordinators provide guidance and advice every step of the way. They are GSA’s main link with Boards and the vehicle through which policies about child care and other guidance are conveyed to the Boards and centers.

## **Chapter 2**

### **START UP GUIDANCE AND BOARD COMPOSITION**

#### **Legal Authority**

GSA Administrative Order 9252.1, issued in February 1984, allows a federal agency authority to allocate space for the purpose of providing child care services under 40 U.S.C. 490b. The Nonprofit Board Model is GSA's preferred model for operating child care centers in GSA-controlled space. The Board selects a provider to perform the child care services at a particular site with the guidance of GSA's Regional Child Care Coordinators. Since the Board is an independent organization and not a federal agency, it is not subject to the Federal Acquisition Requirements, nor is it subject to bid protest jurisdiction of the General Accounting Office (Lac Courte Oreilles Development Corporation, B-24668, September 24, 1986, 86-2 CPD 346).

#### **Start Up Committee**

The formation of the Nonprofit Board is a process that takes time, planning, and effort. Agency and individual commitment are necessary for the process to work. Organizing a start up committee is the first step. To make this committee most effective no fewer than five but no more than eleven members should be sought to accomplish the work. Keep in mind that a minimum of three people is necessary for board incorporation.

The individuals who serve on this start up committee should possess specific knowledge and skills. At a minimum, the committee should include members with:

- knowledge of early childhood education
- a legal background (preferably an attorney)
- a financial background
- excellent organizational and communication skills
- fund raising skills
- prior experience serving on a nonprofit board

These individuals must have adequate time and resources to spend on the process of Board development. Further, the actual Board of Directors (if not the same members as the start up committee) must possess similar areas of expertise.

The start up committee may be involved in the center feasibility planning and implementation which precedes actual formation/incorporation of a Board of Directors, e.g., survey to determine if adequate numbers of children are available

for a center to exist at a specific site. Information about the start-up process is available from the Regional Child Care Coordinator.

### **Responsibilities of the Board**

One of the main purposes for the establishment of a Nonprofit Board is to contract for child care services at a particular site. The Nonprofit Board model provides an excellent system which ensures comprehensive participating agency involvement and commitment to the child care project. The Board has a direct responsibility for ensuring that the Special Conditions to the GSA Licensing Agreement are followed in the operation of the center, thus providing a commitment and responsibility to quality and affordability.

The following briefly summarizes critical responsibilities of the Board:

- To ensure and oversee the long-term viability of the center
- To raise scholarship funds so that a diverse population of children of all economic and social backgrounds can attend the child care center
- To administer a tuition assistance program
- To serve as a liaison between the provider, the parents, and the sponsoring agency
- To keep programs and services consistent with the designated Board purpose
- To solicit, advertise and contract for child care services
- To ensure child care services are provided in compliance with the Special Conditions of the GSA Licensing Agreement
- To work cooperatively with GSA to ensure high quality, affordable child care
- To market the center to prospective parents
- To actively seek future Board members and to ensure Board stability and continuity
- To attend training as necessary

The above basic responsibilities and functions of the Board will be repeated in a variety of ways and in different sections of this manual to keep them uppermost in the reader's thinking.

## **Legal Responsibilities**

There are legal responsibilities/liabilities of incorporated boards. One of the first steps for the start up committee should be to get the appropriate documents from the state's "Secretary of State" or office that handles nonprofit incorporation.

In meeting the legal responsibilities of an incorporated board, the activities of the Nonprofit Board of Directors can generally be categorized in terms of three basic duties. Under "the" law (which varies across states), the duties are:

- (1) The duty of care - that the Board takes its job seriously, makes reasoned decisions, engages in risk management.
- (2) The duty of loyalty - that the Board puts the interests of the organization first. Every decision is made for the good of the organization (the child development center) rather than for the good of one or more Board members.
- (3) The duty of obedience - that the Board acts in accord with its and the center's mission and applicable laws. The Board must also function, of course, in terms of its own Articles of Incorporation and its Bylaws.

Failure to fulfill these basic duties puts the Board at risk, not only for being sued because it can be sued for a variety of circumstances, but also for being sued successfully. Lawsuits are not a frequent occurrence, but when they do occur, Courts consider the liability of the Board in terms of one or more of the basic duties cited immediately above.

Good management/oversight and quality child care are reflections of each other. When the center and its activities are free of hazards, children in care can grow and develop. Similarly the time of the Board and the provider can be spent in continually improving the quality of the center's child care program rather than being tied up in lawsuits. For itself, the Board should anticipate problems and their resolution through building into the Board's bylaws (see Chapter 4) general procedures and policies that will help avoid problems and which will provide the evidence of good stewardship through good record-keeping.

Sophisticated legal background is not the main prerequisite for risk management. Prudent planning which reflects an understanding of legal aspects and sound business practices is essential for risk management. For instance, good minutes of board meetings wherein reasoned judgments are reflected can be invaluable evidence of the duty of care in the eyes of judge and jury.

## **Insurance**

The Nonprofit Board of Directors may want to consider, early on, the purchase of general liability insurance (in addition to or as an extension of the provider's liability insurance) and/or directors and officers' liability insurance which more directly focuses on claims involving management and governance errors. Insurance doesn't reduce risks but it can provide a financial safety net, money with which to settle claims. Individuals who volunteer for Board service should also check their homeowner's insurance policy, which may include individual coverage for board service.

## **Board Composition**

The best functioning Boards have 3 key characteristics:

1. Manageable size, between 5 and 11 members
2. Broad and diverse representation with expertise in several key areas:  
administration, finance, child development and fundraising
3. Membership with long term commitment

Establishment of a child care center requires, particularly in the beginning stages, several Board meetings over a short space of time. A number of unpredictable issues typically arise which require Board approval. There is less of a problem in convening a quorum and operating as a working, efficient body if the board membership is kept at 5 to 11 members. Large Boards tend to be cumbersome and, often, there is a mindset that the Board is so large that attendance by individual members is not essential. A Board of 5 to 11 people promotes decision making as a full body and in depth exploration of issues and alternative solutions. As with most Boards, members are typically the busiest individuals in the community. Efficiency is a key part of keeping a Board in tact. The rate of resignations will be a clear indication of how well the Board is operating.

Establishment of a child care center requires expertise in child development, the child care delivery system, business administration, personnel management, marketing and financial management. The best boards have members with a range of expertise, yet balance among its members. The Board must actively pursue members who have these areas of expertise. There may be parents who qualify as Board members but the Board should also reach out to other members of the community (both Federal and non-Federal). Community involvement is critical to the success of the center and Board membership is a good beginning place to generate that support. Community representation also lends balance to a Board that has parent representation. Parents who are members of the Board need to be clear about their responsibility to make decisions for the good of the group rather



than for the good of their individual children. Teachers and directors from other centers might also be invited to participate as Board members. A range of talents and skills on the Board will assure the Board keeps abreast of demographic trends, legislation, and issues that impact the child care industry. In multi-tenanted buildings Board membership should also reflect agency representation in the building.

For those potential Board members who are Federal employees, attention must be paid to the applicable Federal laws, 18 U.S.C. 203 or 205, which refer to conflicts of interest. While these laws are not a barrier to participation on the Board, in certain circumstances their provisions are applicable. We recommend that agency counsel be consulted if questions arise concerning these statutes. It is also recommended that at least one non-federal member be appointed to the Board of Directors to eliminate any of the problems created by the conflict of interest laws.

Parents typically enroll children in a child care center for approximately two or three years. This short-term involvement with the center can tend to work against maintaining the continuity of the Board, which should have a long-term commitment to the success of the center. Continuity, critical for children's care, is also critical to operating a well functioning center. Board members with long-term commitment can provide continuous history of the center and background on various issues to new Board members. Community involvement will also help assure the long-term commitment of some Board members.

### **Board Recruitment**

Clear expectations must be developed prior to recruiting members. How well expectations are communicated will also help determine the success of the Board. Expectations should include time commitment, nature of the work and the Board's agenda. Board recruitment is successful if the center has gained a reputation for quality and has maintained visibility in the agency. Recruitment is also successful if it is commonly known that Board membership does not require an inordinate amount of time, or excessive time away from regular duties. Finding the "right" person with a skill the Board is seeking is more important than simply filling a vacancy. At times a Board spot may be vacant, while you search for the right Board member.

## **Chapter 3**

### **ARTICLES OF INCORPORATION**

The basic instrument that creates the corporation (i.e., the Board of Directors) is called the Articles of Incorporation or Certificate of Incorporation, which is a legal document. In most states, corporate existence begins when the Articles of Incorporation are filed with the Secretary of State. Once the Board is incorporated, it is a legal entity in the state where it has filed and incurs specific legal reporting requirements that must be set up and maintained.

There is a cost associated with the filing of these documents and it is recommended that the Secretary of State be contacted to determine the appropriate fee. If no board member is an attorney, legal counsel should be sought to guide the creation of the Articles of Incorporation.

The contents of the Articles of Incorporation may vary according to the state's incorporation laws but, in general, they must at least:

- 1.) Give the name of the corporation, which must then always be used to identify the corporation, as in advertisements and on letterheads.
- 2.) State the duration of the corporation, at least when state law imposes limitations on duration or when the corporation is not intended to be perpetual.
- 3.) Set forth the corporate purposes. Most states require the statement to be reasonable and definite.
- 4.) State the address of the corporation's office or place of business.
- 5.) Give the number or the names of the initial Board of Directors.
- 6.) State the names and addresses of the incorporators (i.e., members of the Board). Usually, at least three adults are required. All states require the incorporator(s) to sign the Articles of Incorporation, and verification of signatures is usually required. Some states require the filing of duplicate originals of the Articles of Incorporation.

In addition, the Articles of Incorporation can also include statements about eligibility for Board membership; nonpayment for Board service; exemption of members' private property for Board debts; forbidden Board activities; protection against loss due to Board service and specific exceptions; exemption from effect of acquaintance with or interest in contractors whom the Board may select for services; and dissolution of the Board.

APPENDIX B is an example of a set of Articles of Incorporation for use in developing this Board document. The generic model in Appendix B contains Articles of Incorporation *specifically written to cover aspects and issues that relate to establishing a Nonprofit Board for the purpose of contracting for child care services in federal space. It is not a copy of a set in a state's files for a given Board of Directors.*

## Chapter 4

### BYLAWS

Bylaws are the rules and regulations enacted by the corporation Board to govern its own actions and concerns. Bylaws also control the conduct of directors and officers. Unlike the Articles of Incorporation, the bylaws are usually not filed in any public office, but they must be consistent with the Articles of Incorporation which are on file.

Bylaws can range from brief statements of rules and regulations to comprehensive board operational manuals. Some Boards may elect to have a separate board manual and a separate set of bylaws or may choose simply to combine the two into a comprehensive set of bylaws.

While detail can be examined in a later appendix, the following provides an overview of what bylaws typically include about the Nonprofit Board of Directors:

- its purposes; membership, desired expertise in composition; and size of Board
- specification of officers, duties of each
- executive committees for specific Board functions
- responsibilities and tasks of the Board and of the Provider hired to provide child care services for the Board
- meetings
- procedures for amending bylaws
- parliamentary authority

APPENDIX C contains an example for a set of Bylaws for use in developing this Board document. Please note that *the Bylaws in the generic example have been specifically written to cover aspects and issues that relate to rules and regulations of a Nonprofit Board established for the purpose of contracting for child care services in federal space. The generic example is not a copy for an extant Board.*

## **Chapter 5**

### **APPLICATION FOR TAX-EXEMPT STATUS**

Under Section 501(c) (3) of the Internal Revenue Code, IRS tax-exempt status can be granted to an organization that provides child care services which are considered educational for IRS purposes if 1) the care is provided to enable the children's parent(s) to be gainfully employed, attend school or seek employment, and 2) the services are provided to the general public. The Nonprofit Board of Directors for a child care center in GSA-controlled space qualifies for tax-exempt status. Condition 1) is fulfilled because federal workers for whom services are provided are "gainfully employed." Condition 2) is met because children from outside the federal sector may enroll in the center according to the terms of the Triple Amendment (40 U.S.C. 490b). According to the Triple Amendment, while at least 50% of the children in the center must be drawn from federal families, and federal children have priority for any open slots, the other 50% may come from the general public. The 50% rule is best illustrated in the 1992 clarification of the Triple, APPENDIX A.

Since one of the main responsibilities of the Board of Directors is fund-raising, the advantages of tax-exempt status are obvious. Recipients of funds from the Combined Federal Campaign, for example, must have tax-exempt status. The IRS application process for tax-exempt status is not difficult, particularly if the Board members possess the categories of expertise recommended earlier in this manual.

#### **Time Frame for Application**

To be eligible to receive a definitive (final) ruling, the organization must have completed a tax year of at least eight months. Therefore, it is recommended that the Board file for exemption at the end of the first year of operation and provide a year-end statement for the first fiscal year.

Accounting and bookkeeping procedures will be necessary during the early phases of Board formulation. The fees associated with establishing a corporation, including other incidental costs, will require an account to be established. This serves as the base year requirement for submitting the IRS Application for Recognition of Exemption.

#### **The Application Process**

The forms that you will need are: Forms 1023 (application for recognition of exemption under section 501 (c) (3) of the Internal Revenue Code), Form 872-C (consent fixing period of limitation upon assessment of tax under section 4940 of the Internal Revenue Code), Form 8718 (user fee for exempt organization), and Form SS-4 (application for employer Identification number). These forms can be ordered from the Internal Revenue Service (IRS) by phone: 1-800-TAX-FORM or 1-800-829-3676. Publication 557 (tax-exempt status for your organization) can also be ordered at the same time. The forms and publication will arrive in approximately 10 to 14 working days after the request. Contact your state's Department of Revenue and Finance for any necessary forms regarding exemption at the state level.

The wording of the forms should be specifically based on the Articles of Incorporation and Bylaws for the Board. The overall application process can be envisioned from reviewing these forms.

The cost for applying for tax-exempt status will range between \$150.00 and \$500.00.

## Chapter 6

### ROLES AND RESPONSIBILITIES

The Federal child development centers, because they operate in space controlled by the GSA, function under the guidance and oversight of several entities. In order to have a successful center all parties must share a clear understanding of their role.

#### Overview

**GSA:** Sets policy for the child care program nationwide, provides finished space, services, utilities and equipment to the centers, does background checks on child care staff, sets and oversees quality standards through the license agreement, provides training opportunities and materials for boards, agencies and providers.

**TENANT AGENCIES:** Sponsor the center for their employees, pay rent for the space, may appoint board members, and provide direction to the board, may allocate resources (recycling funds), may provide space for fundraising activities.

**BOARD OF DIRECTORS:** Makes quality child care available to federal employees and others in the local commuting area. Specific tasks: support the program; fund-raise and administer a tuition assistance program; market the center; serve as a liaison between the government, the provider and parents; monitor center goals and evaluate board effectiveness.

**PROVIDER:** Operates a high quality, state licensed and NAEYC accredited center which includes: hiring staff, establishing curriculum, collecting fees, maintaining liability insurance, marketing the program, complying with state and local licensing requirements and requirements in the GSA license agreement.

**STATE LICENSING AUTHORITIES:** Set the state's minimum quality standards for child care centers, investigate compliance complaints, inspect the centers, including health, program and fire safety inspections.

#### Responsibilities of GSA

The primary mission of the GSA Child Care Operations Center of Expertise is to ensure that federal and community families receive high quality child care in centers located in GSA managed space. Through the years the program has developed to include the provision of services and equipment on an ongoing basis to the centers (specifically identified in the Child Care Center Design guide PBS-P140). The day to day facility maintenance support of the center is provided by the GSA property manager, either directly or through lease contracts.

GSA has statutory responsibility for the provision of child care in its physical space. As noted before, there are many partners necessary for the successful delivery of care in the GSA system. The specific working relationship between GSA and the Nonprofit Board should be formalized in a Memorandum of Understanding (MOU). The responsibilities of the child care provider are formalized in the contract between the Board and the provider. The requirements that the provider must adhere to in order to occupy the space provided by the Government are documented in the license agreement between GSA and the provider. These documents will serve as the road map to keep the center on track when questions arise. A change of physical space and/or a change of provider require the review and approval of the GSA Regional Child Care Coordinator.

### **Responsibilities of the Regional Child Care Coordinators**

- Provide assistance to organizing committees interested in pursuing child care as an option for their employee base
- Evaluate needs assessments and market surveys that agencies have conducted on the feasibility of child care programs within their building, city, and surrounding areas
- Determine location of suitable space within the GSA inventory
- Provide technical assistance in the design, construction, and development of the facility
- Provide assistance to Boards in start-up
- Guide Boards in soliciting, and selecting appropriate and qualified providers to operate centers
- Negotiate Special Conditions to GSA Licensing Agreements with Boards and providers for utilization of the space
- Issue and monitor compliance with the GSA Licensing Agreement
- Purchase and maintain all major equipment and furnishings for center operations (in delegated locations this may be the responsibility of the agency)



- Interface with GSA property managers to ensure the center and outdoor play area are maintained in a manner that provides for a safe and healthy environment
- Contract with professionals in the field to conduct center program reviews and health practices assessment reviews
- Collect statistical information and other data for GSA's Child Care Operations Center of Expertise
- Support and assist Boards and child care providers in delivering quality child care to Federal families
- Coordinate safety inspections made by GSA's Safety Division and the Federal Protective Service

### **Responsibilities of the Board**

The Board's mission is articulated in the articles of incorporation. Generally the mission of the board is to make high quality child care available to federal families and others in the local commuting area.

The Board has a direct responsibility for ensuring that the Special Conditions to the GSA Licensing Agreement are followed in the operation of the center, thus providing a commitment and responsibility to quality and affordability.

The following summarizes critical responsibilities of the Board:

- Ensure and oversee the long-term viability of the center
- Raise scholarship funds so that a diverse population of children of all economic and social backgrounds can attend the child care center
- Administer a tuition assistance program
- Serve as a liaison between the provider, the families and the sponsoring agency
- Keep programs and services consistent with the designated Board purpose
- Solicit, advertise and contract for child care services
- Ensure child care services are in compliance with the Special Conditions of the GSA Licensing Agreement

- Work cooperatively with GSA to ensure high quality, affordable child care and all other aspects of the child care delivery system
- Market the center to prospective parents
- Actively seek future Board members to ensure Board stability and continuity
- Attend training as necessary

Two important responsibilities/tasks of the Board, which also should be included in a board's bylaws, are addressed here briefly to underscore their importance and to give potential board members an idea of the scope of activities involved in fundraising and tuition assistance programs for the center.

## **Fundraising**

The primary reason for raising funds beyond those from fees for child care paid by parents is explicit in the Special Conditions to the Licensing Agreement (see APPENDIX F): e.g., "A tuition assistance program for families in economic need shall be established through a nonprofit organization ..." The Federal Government is committed to ensuring that all employees have the opportunity to send their children to child care centers in GSA space, thus the tuition assistance program is mandated, not optional.

The Nonprofit Board of Directors, after qualifying for tax-exempt status is the organization most suitable for establishing the tuition assistance program and for tasks associated with it. Tuition assistance funds must be kept separate from center funds until actually credited towards the tuition of a child receiving tuition assistance. While other groups may raise additional funds for tuition assistance purposes, it is the ultimate responsibility of the Board to ensure that a tuition assistance program exists.

A number of restrictions must be kept in mind for generating and conducting fundraising activities that contribute to tuition assistance funds. Generally, those involving gambling (e.g., lotteries, pools, and raffles) and alcohol may not be conducted on federal property. Tickets for gambling events may be sold elsewhere, but soliciting (selling tickets) is not allowed by the federal employee while on the job or in Federal facilities.

Fundraising by e-mail using federal government equipment and software is also against regulations at most agencies. Individuals and groups should check with their agency's ethics or counsel's office concerning the use of government

equipment for private purposes. The Nonprofit Board of Directors is a private organization.

GSA obtained a waiver from the Office of Personnel Management (OPM) so that child care centers can conduct fundraisers on Federal Property at times other than the official Combined Federal Campaign, thus many fundraising activities can be conducted by the Nonprofit Board of Directors on federal property: e.g., art auctions, employee fairs, sports tournaments, walk/run events, T-shirt sales, and bake sales. Use of federal property usually requires filing a permit application with the building manager.

The foregoing is detailed in APPENDIX J, a fundraising guide. Activity suggestions are included.

### **Sources of Board Funding**

The Combined Federal Campaign (CFC) can be a substantial source of funds for tuition assistance. Speaking to another center Board that has been approved and listed on the CFC list may enhance the probability of submitting a successful application for inclusion in the Campaign. Considerations appear to vary in different regions. Requesting instructions along with the application from your local CFC headquarters, however, is the first step.

Grant writing, a source of funds for tuition assistance but more particularly for other program needs such as staff training, requires extensive “how to” guidance, and is often specific to a particular private foundation or state requirement. State, county, and city resource and referral agencies should be able to direct Board Members to organizations that may provide grants for child care center operations. Public libraries usually have books and pamphlets on grant organizations and grant writing in their holdings.

Recycling funds can be a major source of funding in some parts of the country. Section 608 of Public Law 104-52, 109 Stat. 489, authorizes all Federal agencies to use the proceeds from the sale of recycled materials to support “employee programs”. Designating funds to a Board’s tuition assistance program is an authorized use of these funds. The Board should contact the sponsoring agency about the possibility of receiving recycling funds.

Finally, the Nonprofit Board might consider contracting with a consultant who will specifically teach the members how to do fundraising and suggest various events that work well in the center’s area. The consultant’s fee may be more than made up over the first few years in time saved and in the amount of funds entering the tuition assistance program.

## **Administration of a Tuition Assistance Program**

A tuition assistance program can be set up in a variety of ways. GSA has not specified or recommended a particular program format or a formula for distributing funds to the families of individual children. In general, the determining factor in most formulas is total family income. (See appendix K Tuition Assistance Guide, for more information).

## **Responsibilities of the Child Care Provider**

The child care provider is directly responsible for the day to day operations of the center. Parents contract directly with the child care provider for services. It is the provider who is legally and financially responsible for managing the business. All decisions and responsibilities with respect to program, enrollment, fees, tuition, hiring, salaries, policy making and any and all aspects of the operation and conduct of the center's business remain the exclusive right and responsibility of the child care provider.

The following highlights key responsibilities of the provider:

- Provide quality child care services to the families
- Set the budget, including the fee structure
- Run a high quality program, state licensed and NAEYC accredited
- Hire and train staff
- Market the program
- Keep abreast of trends and research in the field
- Keep aware of funding streams in the local area
- Keep Board informed regarding center issues

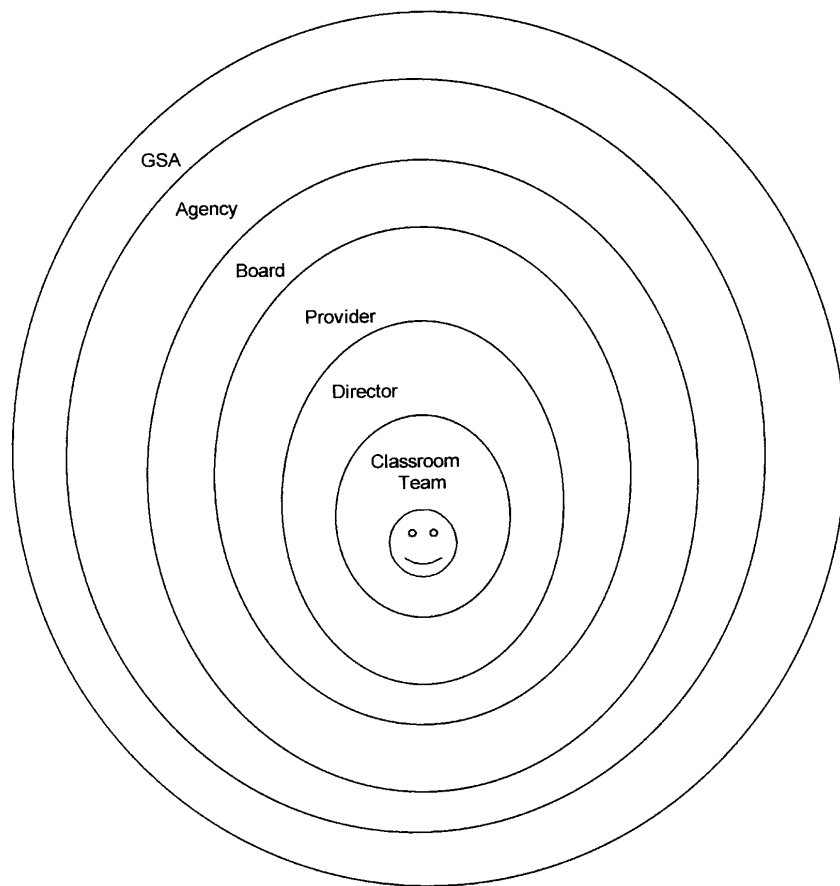
## **Board and Provider Relationship**

The board and provider have separate and distinct roles to play in the provision of care. The board's role is not to manage an organization but rather to create a world, a vision, for the center. The day to day management of the center belongs to the provider. The Board and the provider will have a contractual relationship, not an employee-employer relationship. All agreements should be formalized in a written

document. Again this will be the document to provide direction when questions arise.

In addition the Board and provider need to agree up front about the boundaries of their responsibilities. These details should be spelled out in the contract. This partnership will be effective when there are common expectations, cooperative planning, cooperative evaluation, open and honest communication and respect for each other.

It may be helpful to participate in clarification of roles by looking at a particular issue and laying out each party's role in the issue using a model process.



## Chapter 7

### COST, QUALITY AND AFFORDABILITY

“Any one with more than a passing acquaintance with child care in the United States has confronted what many in the profession call the “trilemma”. Briefly characterized the trilemma means that parents cannot afford to pay what good early care and education costs, child care providers cannot earn enough money to live on and children cannot get the quality of care they deserve”.<sup>1</sup>

Child care is very labor intensive. Staff costs make up between 70% to 85% of a budget, with most caregivers still earning less than a GS 4 level salary.

In non-GSA centers, center space is typically between 5% and 25% of a child care center's budget. The lower end reflects centers that receive free or subsidized space. The high end reflects suburban centers where they have built facilities. What we believed when we first opened child care facilities in our space was that if we provided the facility (the equivalent of as much as 25% of a center's budget) then we would see a reduction in fees of equal measure. This belief was based on the erroneous assumption that child care available in the marketplace was of high quality. What we learned was that this was not true. The existing child care market was not providing the high quality care and learning environments we wanted in our centers.

Since the subsidy provided by free space and equipment is not enough to provide for high quality programs and subsidized low tuition costs for parents we have focused our space subsidy on improved quality.

In 1995 a long awaited research study was published: “The Cost Quality and Child Outcomes in Child Care Centers” by Suzanne Helburn and Mary Culkin from the University of Colorado at Denver, Carolle Howes from UCLA, Sharon Kagan from Yale University and Richard Clifford from the University of North Carolina.<sup>2</sup>

Some Key findings:

- Child care in most centers in the United States is poor to mediocre. The level of quality in most centers does not meet children's needs for health, safety, warm relationships and learning. Only one in seven centers was rated as developmentally appropriate.

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<sup>1</sup> Finding Funding: Sources of Resources For Child Care, by John Surr. Chapter 8 of the Handbook on Quality Child Care For Young Children, Settings, Standards, and Resources. Edited by Carol Ann Baglin and Michael Bender.

<sup>2</sup> Cost, Quality, and Outcomes Study, Campus Box 159, PO Box 173364, University of Colorado at Denver, CO 80217-3364. Executive Summary \$8, Public Report \$15, Technical Report \$40

- Key determinants in the provision of high quality care are staff to child ratios, staff education and administrators' prior experience. The most significant determinant of quality was found to be staff-to-child ratios. Center quality was also found to increase as the percentage of staff with a high level of education increases and as the prior experience of the administrator increases. Centers providing the lowest quality of care were found to have teachers who were paid the lowest wage, had the least education and received the least specialized training.
- States with more demanding licensing standards have fewer poor quality centers.
- Highest quality was found in centers that have access to extra resources to improve quality. Centers that do not have to depend solely on parent fees are able to provide the highest quality.
- Good quality services cost more, but not a lot more. The difference between mediocre quality care and good quality care was about 10%. The provision of excellent quality care requires a much greater increase in costs.
- Quality of service is not significantly different between for profit and non profit sectors.
- Parents tend to over estimate the quality of care their children are receiving. While parents say they value the quality of care their children receive, they tend to be ineffective in evaluating quality. Ninety percent of parents rated the quality of the services their children receive as very good, while the ratings of trained observers indicate that most of those same programs are providing care that ranges from inadequate to mediocre. The inability of parents to recognize good quality care implies that they do not demand it. Thus centers dependent on parent fees have little or no incentive to provide a higher level of quality at a higher cost.
- Inadequate public subsidies lower the demand for good quality child care. Government purchasing practices often fail to contribute to raising the level of quality. When government agencies impose low payments through low funding caps and reimbursement rates when purchasing care for low income children, they too contribute to lowering the demand for good quality child care.

Knowing the cost of high quality care is too high for many families to pay, makes it necessary for the Nonprofit Board to function as the major player for fundraising and tuition assistance programs. It is essential that a Board recognizes the relationship between staff salaries, tuition rates and quality programs and develops key strategies to balance these competing needs. Because federal agencies are legally authorized to provide space and equipment support, centers must rely on

parent fees and other external funds to subsidize quality programs. Active fundraising is a significant component of a Board's responsibility to insure equitable salaries for staff and tuition subsidies for lower graded federal employees.



## Chapter 8

### SELECTING A CHILD CARE PROVIDER

The process of advertising for and selecting a child care provider can be a challenge. The following are some suggestions and recommendations for making the process effective and successful.

The Board of Directors should have criteria for evaluation of a provider in hand before undertaking the search. The following are key factors that influence the operation of a child development center and the quality of care and thus, have to be considered not only in the selection process but in the construction of the advertisements, where ads are placed, and the interviews.

The Board must decide which of these factors are critical and which may have secondary priority for selection. If all Board members want to acquire more background for decisions concerning many aspects of the basic child care program (e.g., written curriculum, ratios), reading materials published by the National Association for the Education of Young Children (NAEYC) on accreditation are recommended. (The full mailing address, phone and web address for NAEYC is provided in Chapter 10, Using Available Resources.) Note below that GSA requires centers to become accredited. Thus, experience in the professional accreditation process is one of the criteria on which providers must be evaluated.

What is the provider's:

- Philosophy of child care?
- Experience at providing worksite care vs. residential care?
- Financial history, projected expense budget, projected tuition/fees for this center?
- Experience in the national accreditation process under the auspices of the National Association for the Education of Young Children?
- Written description of the program, program goals and curriculum?
- Programmed schedule of activities for each age group?
- Intended adult/child ratios and group sizes?
- Personnel policies: including but not limited to staff supervision; probationary period; staff training; career development, pay scale, employee

holiday/vacation/sick leave benefits; health insurance; experience and education required for director, for lead teachers, for assistant teachers?

- Nutritional program – Food Service ?
- Child health policies: including requirements for physical examinations and immunizations by health professionals and criteria for exclusion from the child care center due to sickness?
- Staff training policies: including but not limited to infant/child CPR, first aid, health and safety issues; center philosophy, policies, and procedures, curriculum training?
- Vision of the provider/center/parent relationship?  
especially as this concerns general parent involvement and a parent advisory committee or parent council
- Vision of the provider/board relationship?
- Plan for ongoing written communications with staff and parents? e.g., newsletters.
- Marketing plan ?

Additional criteria can be added to this list given particular circumstances of the child care center and its location.

The most effective means of conducting a search for a provider is to establish and maintain an outline of items to be accomplished. Each item is listed in the sequence in which it “should” occur and specific timelines must be established. Tasks to be addressed in searching for a provider for a new center are:

- 1.) Write a solicitation/advertisement for a child care provider. (See APPENDIX J for an example.
- 2.) Establish a deadline for receipt of all proposals.
- 3.) Establish a list of national and local providers from which to solicit services. Two ways to develop this list are to (1) include all the child care centers in your area which have been accredited by NAEYC, and (2) ask your GSA Regional Child Care Coordinator for a list of providers who have been or are in centers in GSA controlled space who have achieved NAEYC accreditation.
- 4.) Mail a letter of interest to those providers.

- 5.) Place an advertisement in local, regional newspapers, and trade journals to maximize competition and open opportunity.
- 6.) Conduct a pre-bid conference and tour of the center.
- 7.) Make provider selection (which may involve negotiating with the top two or three providers).
- 8.) Finalize contract with selected provider.
- 9.) Announce selected provider.
- 10.) Notify unsuccessful providers.
- 11.) Begin marketing.
- 12.) Center Opening 60- 90 days after signed contract date.

### **Provider Turn Over**

Child care, unlike other more typical government services does not benefit from turn over and a “let’s see what else is out there” mentality. In child care continuity is prized. That is not to say there are not good reasons to seek a new provider. In fact, provider turn over through provider initiated and/or Board initiated actions occurs quite often in the GSA system. If a provider can not deliver and/or does not share the Board’s and GSA’s vision for a high quality program (demonstrated at a minimum by NAEYC accreditation) then certainly a change may be in order.

When searching for a replacement of a current provider, the pace/time explicit and implicit in the search plan will usually be different. Some steps may have to be omitted and time per step shortened considerably. After the first experience in obtaining a provider for the child care center, however, the information and materials for some of the steps are in hand and only small adjustments may be necessary to make each procedure operational.

Regional Child Care Coordinators will provide technical assistance and direction in working through the steps of provider selection. The GSA Regional Child Care Coordinator must review and approve the decision to replace a provider.

## Chapter 9

### MARKETING THE CENTER AND PROGRAM

Marketing is a responsibility of the child care provider as well as of the Board; how much of a responsibility depends on how this is addressed in the contract between the Board and the provider. Keeping the center fully enrolled, with at least 50% of the enrollees coming from federal families (as required by law U.S.C. 490b), is clearly the business of both entities.

Marketing is the overall strategy for selling the service the center has to offer -- quality child care and developmental opportunities. The specifics may vary but the basic idea is to make the center and its services known to parents and employers, both federal and non-federal, in a way that will draw the parent to the center which the board oversees rather than to some other center. The objective of marketing is to increase and stabilize enrollment.

To do this, it is important to use every form of communication available. Bring the center and its programs to the attention of parents of potential enrollees through media stories with pictures about the center in general, about specific events, and about specific boosters of the centers -- to name a few topics that can be used. The best communications, of course, are through parents satisfied with the service.

When a new center is being marketed, the Board and the provider should make every effort to emulate other businesses: determine who and where the clients are, contact them through direct and general mailings and through posters/flyers, in this case, the federal building and surrounding buildings and perhaps, elementary schools, churches, and other organizations which serve children or the parents of children. Like all businesses, some money must be invested to reach the goal of increased and stable enrollment for the center. An example of one kind of "expenditure" is a limited number of gift certificates offering an evening, morning, or some other specified time of free child care. Bringing parents into the center, which provides an opportunity to experience quality child care, to see the facility, and to meet the director and staff is one of the best ongoing marketing strategies. Everyone involved can generate others.

A marketing strategy for an ongoing center involves much of what has been mentioned above but there can be somewhat different emphases. For instance, a focus on age groups for which there are open slots, emphasizing the advantages of that particular program, may be desirable. Consider adding the extra programs or services for which parents may pay additional fees. These can provide positive marketing opportunities because the extra activities don't require the parent's presence or time, including within the regular day something that would have to be done after the workday ends or on a weekend. One center brings in a hair stylist

once a month to give that terrific cut which usually takes up a chunk of many families' Saturdays! "Extras" provide very little additional money for the center (most of the fees go to the people providing the special services); however, these can provide a "competitive edge" for the center by meeting more needs of the customer and freeing up time for other family activity and travel.

When the center which provides quality child care and early education is recognized more widely through positive comments by satisfied families and through various marketing strategies, fundraising will also become easier because potential donors are already familiar with the center and know it to be a worthy cause for tax-deductible dollars.

## Chapter 10

### USING AVAILABLE RESOURCES

Knowing what is available and where to find help will save the Board time and effort in their work. Many excellent resources have become available through the Internet. If you can not access the Internet at work or at home then try your public library.

Your most important local resource for information will be the local Child Care Resource and Referral Agency or CCR&R. This is an organization whose mission is to know the local child care market, “do whatever it takes to make child care work for families and communities” thus they can facilitate in identifying providers, training opportunities, funding streams and current issues/events in your area. You can find your CCR&R by looking in the Yellow Pages of the phone book under: Child Care Referral Services.

#### **The following WEB sites have good information:**

- GSA, Child Care Operations Center of Expertise  
<http://www.gsa.gov/pbs/centers/child/>
- National Clearinghouse for the Military Child Development Program  
<http://dticaw.dtic.mil/milchild/>
- The National Association for the Education of Young Children (NAEYC)  
<http://www.naeyc.org/default.htm>
- The National Resource Center for Health and Safety in Child Care  
<http://nrc.uchsc.edu>
- National Child Care Information Center  
<http://nccic.org/>
- National Association of Child Care Resource and Referral Agencies (NACCRRA)  
<http://www.childcarerr.org>

The following organizations have a number of materials for: board development, and/or child care quality and early education, which can be purchased.

#### **à National Center for NonProfit Boards**

Suite 510-G, 2000 L. Street N.W. Washington, DC 20036-4907 (800)883-6262

#### **à Child Welfare League of America (CWLA)**

440 First Street N.W. Third Floor, Washington, DC 20001 (202) 638-2952

à **Center for the Child Care Workforce**

733 15<sup>th</sup> Street, NW Suite 1037

Washington, DC 20005-2112 (202) 737-7700 or 800 U.R. WORTHY

<http://www.ccw.org>

à **The National Association for the Education of Young Children (NAEYC)**

1834 Connecticut Avenue, N.W. Washington, DC 20009 (800) 424-2460

<http://www.naeyc.org/default.htm>

Publications:

◇ **Accreditation Criteria and Procedures of the National Academy of Early Childhood Programs (NAEYC)**

1834 Connecticut Avenue, N.W. Washington, DC 20009 (800) 424-2460

<http://www.naeyc.org/default.htm>

à **Tax -Exempt Status for Your Organization**

IRS Publication 557

(800) 829-3676

à **Handbook for Public Playground Safety**

U.S. Consumer Product Safety Commission, Washington, DC 20207

<http://www.cpsc.gov>

à **Office of Personnel Management 5 CFR Part 950**

(Combined Federal Campaign, CFC)

Solicitation of Federal Civilian and Uniformed Service Personnel for Contributions to Private Voluntary Organizations

<http://www.opm.gov>

à **Child Care Design Guide, PBS-PQ 140**

General Services Administration, Public Buildings Service

<http://www.gsa.gov/pbs/centers/child/>

à **Caring for Our Children, National Health and Safety Performance Standards:**

Guidelines for Out-of-Home Child Care Programs.

A joint collaborative project of the American Public Health Association and the American Academy of Pediatrics

American Public Health Association Publication Sales Department 5037,  
Washington, DC 20061-5037 (202) 789-5636

## APPENDIX A

### TRIBLE AMENDMENT



SEC. 528. Section 616 of the Act of December 22, 1987 (40 U.S.C. 490b) is amended-

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(1) by amending subsection (a)(2) to read as follows:

`(2) such officer or agency determines that such space will be used to provide child care services to children of whom at least 50 percent have one parent or guardian who is employed by the Federal Government; and';

(2) by amending subsection (b)(3) to read as follows:

`(3) For the purpose of this subsection, the term `services' includes the providing of lighting, heating, cooling, electricity, office furniture, office machines and equipment, classroom furnishings and equipment, kitchen appliances, playground equipment, telephone service (including installation of lines and equipment and other expenses associated with telephone services), and security systems (including installation and other expenses associated with security systems), including replacement equipment, as needed.';

(3) by redesignating subsection (b)(3), as amended by paragraph (2), as subsection (b)(4), and inserting after subsection (b)(2) the following:

`(3) If an agency has a child care facility in its space, or is a sponsoring agency for a child care facility in other Federal or leased space, the agency or the General Services Administration may pay accreditation fees, including renewal fees, for that center to be accredited by a nationally recognized early-childhood professional organization, and travel and per diem expenses for attendance by representatives of the center at the annual General Services Administration child care conference.'; and

(4) by adding at the end the following:

`(c) Through the General Services Administration's licensing agreements, the Administrator of General Services shall provide guidance, assistance, and oversight to Federal agencies for the development of child care centers to promote the provision of economical and effective child care for Federal workers.

`(d) If a Federal agency has a child care facility in its space, or is a sponsoring agency for a child care facility in other Federal or leased space, the agency or the General Services Administration may enter into a consortium with one or more private entities under which such private entities would assist in defraying the costs associated with the salaries and benefits provided for any personnel providing services at such facility.'.

\* \* \* \* \*

CHILD CARE CENTERS

Pub. L. 100-202 101(m) [Title VI. 616], Dec. 22, 1987, 101  
Stat 1329-423, 40 U.S.C. 490b.

SEC. 616. (a) If any individual or entity which provides or proposes to provide child care services for Federal employees applies to the officer or agency of the United States charges with the allotment of space in the Federal buildings in the community or district in which such individual or entity provides or proposes to provide such services, such officer or agency may allot space in such a building to such individual or entity if-

40 U.S.C. 490b

(1) such space is available

(2) such officer or agency determines that such space will be used to provide child care services to a group of individuals of whom at least 50 percent are Federal employees; and

(3) such officer or agency determines that such individual or entity will give priority for available child care services in such space to Federal employees.

(b)(1) If an officer or agency allots space to an individual or entity under subsection (a) of this section, such space may be provided to such individual or entity without charge for rent or services.

(2) If there is an agreement for the payment of costs associated with the provision of space allotted under subsection (a) of this section or services provided in connection with such spaces, nothing in Title 31, or any other provision of law, shall be construed to prohibit or restrict payment of reimbursement to the miscellaneous receipts or other appropriate account of the Treasury.

(3) For the purpose of this section, the term "services" includes the providing of lighting, heating, cooling, electricity, office, furniture, office machines and equipment, telephone service (including installation of lines and equipment and other expenses associated with telephone services), and security systems (including installation and other expenses associated with security systems)

**APPENDIX B**

**ARTICLES  
OF  
INCORPORATION**

**ARTICLES OF INCORPORATION**  
**of**  
**THE NONPROFIT BOARD OF DIRECTORS**  
**(INSERT NAME OF THE CENTER BOARD)**

**To the Secretary of State of the State of \_\_\_\_\_ :**

We, the undersigned, under the (insert name of State and whatever that State calls its Nonprofit Corporation Code), do hereby adopt the following Articles of Incorporation for such corporation:

**I.** The name of the corporation shall be known as the (insert the name of the center Board of Directors).

**II.** The period of its duration is perpetual.

**III.** This corporation has been formed to contract directly for quality child care and child educational services within a particular federal community. The Board of Directors will promote a federal child care center, provide technical assistance, do fundraising to assist in affordability issues, and advocate programs and services for the children of federal employees and the general public. The corporation's primary activity is to provide care away from the children's homes while their parents or guardians are gainfully employed or seeking employment. The Board will seek to provide a more *"family friendly work environment"* for federal workers and the general public serviced by the child care center.

**IV.** The address of its initial registered office in the State of \_\_\_\_\_ is (insert the name, address, and county of the center) and the name of the initial registered agent at such address is (insert the name of the appropriate Member of the Board).

**V.** The business of this corporation shall be conducted by a Nonprofit Board of Directors consisting initially of \_\_\_\_ (specify number between seven and eleven) directors, although the number of directors may be increased as permitted by the by-laws of this corporation. The initial Directors shall be:

Name	Address
Name	Address
Name	Address
Name	Address
Name	Address
Name	Address
Name	Address

**VI.** The incorporator of this corporation is as follows:

Name  
Address  
City, State, Zip

*(Note to the Manual User, "Incorporator" here refers to the person(s) who signed for the Board to be incorporated. However, the entire Board voted for the corporation to be formed and thus are all considered equally responsible as incorporators.)*

**VII.** There shall be only one class of member of this corporation and there shall be no membership dues required. Members may include federal agency representatives from participating agencies whose place of employment or residence is within commuting distance of the (insert principle office of the Board). Parents, guardians or employers of nonfederal employees whose children are enrolled in the center are eligible for membership, along with interested members of the general public, and all members shall have one vote. All members are governed by the Bylaws hereafter adopted.

**VIII.** The private property of the members of this corporation shall be exempt from corporate debts.

**IX.** This corporation shall issue no stock nor will any dividends be paid to any of the members of this corporation.

**X.** This corporation may or may not have a seal.

**XI.** Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all the liabilities of the corporation, dispose of all the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine.

**XII.** No part of the net earnings of this corporation shall habituate to the benefit of, or be distributed to, officers, members, trustees or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article III. The corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting, to influence legislation. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on a.) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), or b.) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law) and c.) same for any and all corresponding state tax laws.

**XIII.** No contract or other transaction between the corporation or any other corporation shall be affected or invalidated by the fact that any one or more of the directors of this corporation is or are interested, or is a director or officer or are directors or officers, of such other corporation, and any director or directors, individually or jointly, may be a part of parties to, or may be interested in, any contract or transaction of this corporation, or in which this corporation is interested; and no contract, act or transaction of this corporation with any person or persons, firm or association shall be affected or invalidated by the fact that any director or directors of this corporation is a part or are parties to or interested in such contract, act or transaction, or in any way connected with such person or persons, firm or association and each and every person who may become a director of this corporation is hereby relieved of any liability that might otherwise exist from contracting with the corporation for the benefit of himself or any firm or corporation which he may be in any way interested.

**XIV.** This corporation shall indemnify any present or former director, officer, employee, member or volunteer of this corporation, and each such person who is serving or who has served, at the request of this corporation as a director, officer, partner, trustee, employee or agent or another corporation, partnership, joint venture, trust, other enterprise or employee benefit plan to the fullest extent possible against expenses actually incurred by such person relating to his conduct as a director, officer, employee, member or volunteer of this corporation or as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, other enterprise or employee benefit plan, except that the mandatory indemnification required by this sentence shall not apply i.) to a breach of the duty of loyalty to the corporation, ii.) for acts of omissions not in good faith or which involve intentional misconduct or knowing violation of the law, or iii.) for a transaction from which such person derived an improper personal benefit.

*(Note to the Manual User: The preceding article essentially states that anyone who has worked, served, or volunteered in any way with this corporation will not be held personally responsible for any loss or damages incurred by the Board during their service – except for items i., ii., and iii. for which the individual would be held personally responsible. Legal advice is recommended for inclusion of the last six lines of Article XIV.*

**XV.** This corporation may purchase Directors and Officers Liability Insurance separately and/or require that the Center Provider, name the corporation and its members in their Liability Insurance Policy.

\_\_\_\_\_  
(Name of incorporator)

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_ ) ss:  
\_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, before the undersigned, a Notary Public in and for the State of \_\_\_\_\_, (insert name of incorporator) personally appeared to me and known to be the identical person named in and who executed this instrument, and acknowledged the execution of the same to be his/her voluntary act and deed.

\_\_\_\_\_  
Notary Public in and for  
the State of \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

*(Note to the Manual User: The statement preceding the notary's signature varies across states. The requirement for the state in which the Board of Directors operates should be checked.)*

## **APPENDIX C**

### **BYLAWS**

**BYLAWS**  
**of**  
**THE NONPROFIT BOARD OF DIRECTORS**  
**(INSERT THE NAME OF THE CENTER BOARD)**

**ARTICLE I.**  
**Name**

The name of the corporation shall be (insert the name of the Board of Directors) and shall be a nonprofit corporation organized under the (insert name of State and its nonprofit corporation code) and the seal will be adopted by the Board of Directors and affixed on the right margin of this page (should a seal be adopted language of this nature is inserted here).

**ARTICLE II.**  
**Location**

The principle office shall be at (insert the name and address of the center) or at such place or places as may be designated by the Board of Directors.

**ARTICLE III.**  
**Purpose**

The (insert the name of the Board of Directors) is a nonprofit corporation organized to contract directly for quality child care services for the federal community. The Board of Directors will promote and contract for quality child care and educational services and operations at a federal center, provide technical assistance, raise funds to assist with affordability, and advocate programs and services for the children of federal employees and those in the general community. Using the information and services provided by the GSA Child Care Operations Center of Expertise through the Regional Child Care Coordinators and following the standards as outlined in the Special Conditions to the GSA Licensing Agreement, the Board will seek to provide a more *"family friendly work environment"* for federal workers and the general community serviced.

This corporation will be organized exclusively for educational purposes within the provision of the Section 501(c)(3) of the Internal Revenue Code of 1986, and its amendments.

Notwithstanding any other provisions of these articles, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code or corresponding section of any future federal tax code or by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code or corresponding section of any future federal tax code and corresponding state codes, as applicable.

Federal employees who serve as Board Members will further be expected to follow all federal ethics laws in exercising their roles and responsibilities as Board Members. Federal participating agencies and their designated representatives shall review Executive Order 12731 of October 17, 1990 (or any corresponding provision of any future Executive Orders concerning "Principles of Ethical Conduct for Government Officers and Employees,". Title 18 USCA, Section 205, as amended by P.L. 104-177 Federal Employee Representation Improvement Act of 1996 also should be reviewed. This latter amendment allows members of employee associations to represent their views before the US Government still within limitations but more extensively than before.

**ARTICLE IV.**



## **Membership**

### **Section 1.**

Members shall include federal agency representatives from participating agencies whose place of employment or residence is within commuting distance of the (insert principle office of the Board). A majority vote of federal agencies in the initial organization of the Board or existing Board Members following formation will determine acceptance of non-federal members and then the full Board will share equal representation and voting rights thereafter.

### **Section 2.**

Each participating federal agency located within the service area of the center may periodically provide a member who will vote and serve on the Board. Provision of a member can be by appointment or whatever equitable method the agency chooses. The new member, however, should have qualifications that fulfill one of the critical roles (i.e., accountant, attorney, child care specialist , fundraiser) if that position is not filled on the current Board.

### **Section 3.**

Employees of nonfederal agencies participating in the center (whether or not they have children enrolled in the center) are eligible for membership, along with the interested general public, with a minimum of one position on the Board for this non-federal participant.

### **Section 4.**

Membership should be maintained at (specify a number between five and eleven) members. Should federal agency participation warrant additional participants, membership will be increased to support the demand, based on a workable formula for participation. Staggered membership terms should be undertaken to provide continuity of Board philosophy and business.

### **Section 5.**

The (insert the name of the Board of Directors) shall not discriminate against anyone because of race, sex, disability, color, age, religion, national origin, handicap, or ethnic background.

### **Section 6.**

The (insert the name of the Board of Directors) may fill any vacancy occurring in any office for any reason and may, in its discretion, leave unfilled for such period, as it may determine, any offices other than those of President and Secretary if a qualified candidate has not been determined.

## **ARTICLE V. Officers and Elections**

### **Section 1.**

Officers shall be the Chairperson or President, Co-Chairperson or Vice-President, Secretary, Treasurer, and Directors or Committee Chairpersons for board nominations, fundraising, and tuition assistance. Expertise on the Board shall always include one individual who demonstrates knowledge in one or more aspects of the child care delivery system, one individual with accounting or bookkeeping experience, and one individual with experience or knowledge in the legal or law field. Appointment of officers can be on going with elections conducted on an as-needed basis, however, annual elections will

be normal Board procedure. Board Members will serve a minimum two-year term. Officers will serve a minimum of one year, and ensure their successors are duly elected and trained in the purpose and goals of the Board and willing to assume the roles and responsibilities of the Officers before incumbents leave the Board. The nominating committee shall have a list of potential members to serve on the Board a minimum of three months prior to any known board vacancy.

#### Section 2.

Officers of the Board will serve without compensation. Officers shall be entitled to reimbursement for any reasonable expenses incurred by them in the execution of the functions and duties of their respective offices, provided that any compensation so paid shall be solely for the purpose of reimbursement of expenses incurred and not in consideration of service as an officer of the Board.

#### Section 3.

The Chair or President shall be the Chief Executive Officer of the corporation and shall have general management responsibility for the business of the corporation and shall see that all orders and resolutions of the Board of Directors are carried into effect. The Chair or President shall call meetings of the Board and Executive Committees to order and shall act as chair of such meetings. The Chair or President shall lead and direct the Board.

#### Section 4.

The Vice-Chair or Vice-President shall have all powers and perform the duties of the Chair or President when the Chair or President is not present or has not been elected, or at the request of the Chair or President. The Vice-Chair or Vice-President shall also have such powers and perform such duties as are specifically imposed upon the Vice-Chair or Vice-President by law and as may be assigned by the Board of Directors or the President.

#### Section 5.

The Secretary shall generate and maintain a record of the proceedings of all meetings of the Board and Executive Committees. The secretary shall perform duties as may be prescribed by the Chair or President to include but not be limited to: custody of the seal if applicable, mailings, notifications and document transmittal.

#### Section 6.

The Treasurer shall keep the financial books and records of the corporation. The Treasurer will account for funds, financial assets, and other assets to make such reports as may be necessary to keep the Chair or President and the Board informed at all times about the financial condition of the corporation. The Treasurer will maintain the money and other assets of the corporation in such depositories as the Treasurer shall choose or as may be designated by the Board of Directors and shall provide for the investment of the money and other assets consistent with the needs of the corporation. He/she will create and maintain a yearly budget, pay any bills and invoices for the corporation, and perform such other duties as may be prescribed by the Chair or President of the Board. The Treasurer shall serve an integral role in reviewing the financial documents as provided by the child care provider and make a formal presentation to the Board based on findings.

#### Section 7.

In case of the absence, death, or resignation of any officer of the corporation, or for any other reason that the Board may deem sufficient, the Board may delegate, for the time being, any or all of the powers or duties of such officer to any officer or director qualified to serve in such a position.

#### Section 8.

The Board shall have Executive Committees to serve the following Board functions: 1.) Fundraising, (2) Tuition Assistance Program, and (3) Board Nominations. Each Executive Committee shall have a Chair with no more than three members. The Chair will provide a progress report to the Board a minimum of six times per year, or as requested by the President. Goals and objectives of the Executive Committees shall be approved by the Board prior to implementation and the Board will support all efforts of the Executive Committees.

## **ARTICLE VI. Board of Directors**

### **Section 1.**

The property, business, and affairs of the (insert the name of the center) shall be managed by the Board of Directors. In addition to the powers and authority expressly conferred upon it by these Bylaws, the Board of Directors may exercise such power of the corporation and do all such lawful acts permitted by the (name State and its nonprofit corporation code) and the Corporation's Articles of Incorporation. Such power shall include but not be limited to: a.) adopting policies for control of the affairs of the corporation; b.) contracting for child care and child educational services at a federal center; c.) monitoring center provider operational performance and ensuring terms and conditions of the GSA Licensing Agreement are followed; d.) procuring, protecting, maintaining, and managing any property and equipment of the corporation; e.) preparing and adopting an annual operating budget for the corporation, to include quarterly fundraising projects with projected revenue; f.) developing plans regarding long-range financial needs of the corporation and center; g.) reviewing policies of enrollment, marketing, fees and fund raising activities of the provider, h) ensuring eligibility for program inclusion in the Combined Federal Campaign; i.) developing and maintaining a Board Manual of operations or expanding Bylaws to serve as same (altering the Bylaws through amendment, as needed); j) develop active marketing for Board nominations and qualified agency representatives; and k) actively pursue other government services, equipment, and funding. Examples of the latter two are excess property and recycling funds, respectively.

### **Section 2.**

The Board of Directors will seek to ensure continuity and consistency in the performance of their duties through maintaining contact with and updating their GSA Regional Child Care Coordinator.

### **Section 3.**

The child care provider shall be selected by the Board of Directors which shall establish terms and conditions of operation, based on the Special Conditions to the GSA Licensing Agreement.

## **ARTICLE VII. Meetings**

### **Section 1**

The Board of Directors shall hold regular meetings every other month or more frequently as needed, but a minimum of six times per year at such time and place as the Board may establish. The Secretary will provide notice and an agenda five days prior to all regularly scheduled Board Meetings.

### **Section 2.**

Special meetings may be called by or at the request of the Chair or President or by any Directors in office at the time. The Board may consider and decide at special meetings only those matters set forth in the notice of such meeting.

Section 3.

Each member shall have one vote. Except as otherwise provided in these Bylaws or required by law, the vote of a majority of the Directors present at the time of the vote shall be an act of the Board of Directors if a quorum (fifty percent of the currently serving directors) is present at the time of the vote.

**ARTICLE VIII.**  
**Amendment of Bylaws**

The Board of Directors may recommend amendments of the Bylaws subject to consideration and approval of a majority of the persons then serving as Directors.

**ARTICLE IX.**  
**Parliamentary Authority**

All meetings of the (insert name of the Board or Directors) will be conducted in accordance with Robert's Rules of Order Revised in all cases to which they are applicable and in which they are not in conflict with these Bylaws.

I hereby certify that the above Bylaws were adopted by the members of the (insert name of Board) of said corporation under resolution at their meeting on the \_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
Secretary

## **APPENDIX D**

### **Principles of Ethical Conduct for Employees of the Executive Branch 5 CFR 2635 .101**

[Code of Federal Regulations]  
[Title 5, Volume 3, Parts 1200 to end]  
[Revised as of January 1, 1999]  
From the U.S. Government Printing Office via GPO Access  
[CITE: 5CFR2635.101]

[Page 540-541]

## TITLE 5--ADMINISTRATIVE PERSONNEL

### CHAPTER XVI--OFFICE OF GOVERNMENT ETHICS

#### PART 2635--STANDARDS OF ETHICAL CONDUCT FOR EMPLOYEES OF THE EXECUTIVE BRANCH-- Table of Contents

##### Subpart A--General Provisions

Sec. 2635.101 Basic obligation of public service.

(a) Public service is a public trust. Each employee has a responsibility to the United States Government and its citizens to place loyalty to the Constitution, laws and ethical principles above private gain. To ensure that every citizen can have complete confidence in the integrity of the Federal Government, each employee shall respect and adhere to the principles of ethical conduct set forth in this section, as well as the implementing standards contained in this part and in supplemental agency regulations.

(b) General principles. The following general principles apply to every employee and may form the basis for the standards contained in this part. Where a situation is not covered by the standards set forth in this part, employees shall apply the principles set forth in this section in determining whether their conduct is proper.

(1) Public service is a public trust, requiring employees to place loyalty to the Constitution, the laws and ethical principles above private gain.

(2) Employees shall not hold financial interests that conflict with the conscientious performance of duty.

(3) Employees shall not engage in financial transactions using nonpublic Government information or allow the improper use of such information to further any private interest.

(4) An employee shall not, except as permitted by subpart B of this part, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee's agency, or whose interests may be substantially affected by the performance or nonperformance of the employee's duties.

(5) Employees shall put forth honest effort in the performance of their duties.

(6) Employees shall not knowingly make unauthorized commitments or promises of any kind purporting to bind the Government.

(7) Employees shall not use public office for private gain.

(8) Employees shall act impartially and not give preferential treatment to any private organization or individual.

(9) Employees shall protect and conserve Federal property and shall

not use it for other than authorized activities.

(10) Employees shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official Government duties and responsibilities.

(11) Employees shall disclose waste, fraud, abuse, and corruption to appropriate authorities.

(12) Employees shall satisfy in good faith their obligations as citizens, including all just financial obligations, especially those--such as Federal, State, or local taxes--that are imposed by law.

(13) Employees shall adhere to all laws and regulations that provide equal opportunity for all Americans regardless of race, color, religion, sex, national origin, age, or handicap.

(14) Employees shall endeavor to avoid any actions creating the appearance that they are violating the law or the ethical standards set forth in this part. Whether particular circumstances create an appearance that the law or these standards have been violated shall be determined from the perspective of a reasonable person with knowledge of the relevant facts.

(c) Related statutes. In addition to the standards of ethical conduct set forth in this part, there are conflict of interest statutes that prohibit certain conduct. Criminal conflict of interest statutes of general applicability to all employees, 18 U.S.C. 201, 203, 205, 208, and 209, are summarized in the appropriate subparts of this part and must be taken into consideration in determining whether conduct is proper. Citations to other generally applicable statutes relating to employee conduct are set forth in subpart I and employees are further cautioned that there may be

[[Page 541]]

additional statutory and regulatory restrictions applicable to them generally or as employees of their specific agencies. Because an employee is considered to be on notice of the requirements of any statute, an employee should not rely upon any description or synopsis of a statutory restriction, but should refer to the statute itself and obtain the advice of an agency ethics official as needed.

**APPENDIX E**

**MODEL**

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE GENERAL SERVICES ADMINISTRATION (GSA)  
AND  
THE BOARD OF DIRECTORS OF CHILD CARE CENTER**



MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE GENERAL SERVICES ADMINISTRATION (GSA)  
AND  
THE BOARD OF DIRECTORS OF CHILD CARE CENTER

**Purpose**

This Memorandum of Understanding (MOU) summarizes the conditions under which the General Services Administration will provide space for the Child Care Provider to provide child care services in the \_\_\_\_\_ Building, located at \_\_\_\_\_.

**Background and Authority**

In 1986, Congress enacted P.L. 99-591 which created a new section 40 U.S.C. 490b to the Property Act. This provision, commonly referred to as the Tribble Amendment, allows GSA to provide space, at no cost, to organizations who wished to provide child care services at that site. Child care services have been proven to increase productivity through improved staff recruitment and retention, reduced absenteeism, and higher employee morale.

GSA has made a determination that a child development center is necessary for the welfare of government employees in and around the \_\_\_\_\_ Building. To facilitate the provision of child care services, GSA has provided space and built-out a child care center.

The Board of Directors of Child Care Center has organized and incorporated as a 501(c)(3) organization to provide for child care services for government employees. The Board of Directors of Child Care Center has hired a Provider to operate the Center for the benefit of the children of these employees.

**Specific Provisions**

**Board of Directors.** The Board will ensure that both the Provider and the Board comply with all of the general and specific terms and conditions set forth in the GSA License Agreement.

The Board agrees to provide general oversight over the child care Provider which the Board has selected to operate the Center.

The Board will establish and maintain a fund raising program to ensure that tuition assistance is offered at the Center.

The Board will designate a member of the Board or use the Provider as the liaison with the GSA Child Care Coordinator or the Child Care Operations Center of Expertise.

**GSA.** GSA will conduct periodic reviews of the Center to determine that both the Center and the Board are in compliance with the GSA License Agreement.

GSA will ensure that the center is cleaned and maintained as specified in the Guidelines that GSA has established for the operation of child care centers in GSA space.

GSA's Child Care Coordinator may serve (or may appoint a GSA official) as GSA's representative to the Board and to the Provider concerning the Center.

**Effective Date and Duration**

This agreement is effective on the date of the last signature below and will continue in effect for each party unless and until terminated by either party.

### **Termination**

This agreement may be terminated under the following conditions:

If there shall occur or shall become known to either party a material breach of the other's obligations, representatives, or warranties under this agreement, such party may terminate this Agreement upon thirty (30) days written notice to the other, provided that the other party may prevent termination by curing such breach within thirty (30) days of receipt of such written notice.

If there occur or become known to the GSA at any time after the effective date of this Agreement a material breach of the Provider's obligations under the Special Conditions to the Licensing Agreement which in GSA's reasonable judgment jeopardizes the safety, health or well-being of the children cared for by the provider, GSA shall have the right to terminate this Agreement and revoke the license immediately.

**Approvals**

On behalf of our respective parties, this Agreement is approved.

\_\_\_\_\_  
Board of Directors

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
GSA Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

**APPENDIX F**

**MODEL**

**SPECIAL CONDITIONS TO THE LICENSING AGREEMENT**

First printed in the Federal Register/Vol. 58, No. 123    Tuesday, June 29, 1993  
(Modified July 1999)

SPECIAL CONDITIONS TO THE LICENSING AGREEMENT BETWEEN  
GSA AND *THE CHILD CARE PROVIDER*

1. LICENSE AUTHORITY

This license is granted pursuant to the authority of and subject to the conditions in 40 U.S.C. 490b. The Child Care Provider who provides child care at the site agrees to abide by these Special Conditions.

2. CRIMINAL HISTORY BACKGROUND CHECKS

The Child Care Provider and its employees are subject to the Crime Control Act of 1990 Public Law 101-647 as amended by Public Law 102-190, dated December 5, 1991, and will submit to criminal history background checks. Providers or employees who have a conviction for sex crimes, offenses involving children as victims, or drug felonies will be denied employment or dismissed, except that for a conviction of a crime other than a sex crime or offense involving children the government will review the facts of the individual case before exercising its right to deny or have terminated the employment of that employee.

In addition, the Child Care Provider and its employees are subject to any other checks as may be required by GSA, and any pertinent local regulatory authorities. The child care provider will certify that they have completed appropriate background checks to include: reference, employment and educational certification, of each new hire.

3. NATIONAL ACCREDITATION

The child care provider shall begin the National Association for the Education of Young Children (NAEYC) accreditation process within one year of operation and will achieve accreditation within 2 years of operation. The child care provider will maintain accreditation through the renewal process of the National Academy of Early Childhood Programs.

4. TERMS AND CONDITIONS OF OCCUPANCY

The child care center will be operated in accordance with the following terms and conditions:

- a. Maintain and operate a developmental child care program from \_\_ a.m. to \_\_ p.m., Monday through Friday except on Federal holidays. The child care center may be closed one week per year for maintenance
- b. The center's employees shall comply with all building regulations and special building security arrangements. Building security arrangements may include the display of Government-furnished identification (ID) cards, where required. All Government furnished IDs remain the property of the Government and must be surrendered to the Provider's management by all centers employees leaving the Provider's employ. Such IDs must then be immediately returned to the Government's designated building security officer.
- c. By signing this agreement the Child Care Provider has acknowledged receipt of and use of equipment and other property as furnished by the government, and shall provide routine care of any government furnished equipment during the term of this license.
- d. The Child Care Provider shall be responsible for any damage to the equipment arising from wrongful acts or acts of negligence of the Child Care Provider.
- e. The Child Care Provider must maintain the facility in a clean and safe manner. General housekeeping is expected so that the center appears clean and well kept at all times. Cleaning responsibilities of the provider include, but are not limited to: cleaning and sanitizing of all toys, toy shelves, children's furniture, kitchen appliances inside and out, kitchen pantries, storage closets including shelves, as well as pet cages and aquariums. Immediate spot cleaning is required during snacks, mealtimes, during and after craft projects, etc. The child care provider is responsible for the immediate clean up after sick children, followed by sanitation and disinfecting of the affected area by the building manger's office. Storage of all bleach/sanitizing solutions will be out of reach of children.
- f. The Child Care Provider must ensure that staff members have had training in the prevention and detection of child abuse, valid first aid certifications in employees' files and demonstrate verifiable staff training in emergency and evacuation procedures, and

other training that may be required by State or local licensing authorities. This line item is in addition to the training requirements per accreditation and state criteria.

g. The Child Care Provider will ensure that all incidents occurring in the center: criminal incidents or accidents/incidents requiring immediate professional medical attention are immediately reported to the Federal Protective Service. The Child Care Provider will ensure that notification of the incident is provided to the regional child care coordinator as soon as possible but no later than 24 hours after the occurrence.

The child care provider will notify the appropriate local authority in cases of suspected child abuse or neglect per Public Law 104-28. The federal protective service will not be notified in these matters unless the suspected abuse occurred on site in which case the FPS is notified in addition to the appropriate local authority.

h. The Child Care Provider will post in a public area of the center its current state or local license to operate a child care center. The Child Care Provider will comply with all Federal, State or local safety policies, including the smoking policy.

i. The Child Care Provider will post an emergency evacuation plan for the center. The Child Care Provider will ensure that a fire drill is conducted by the staff at the Child Care Center at least monthly and will keep a record of these drills available to GSA upon request. The Child Care Provider will work with appropriate Government officials to ensure that the center's evacuation plan is appropriately incorporated into the occupant emergency plan (OEP) for the building.

j. The GSA regional child care coordinator, will on a regular basis, collect demographic data and other pertinent information relating to center operations. The Child Care Provider will respond in a timely and expeditious manner.

k. The Child Care Provider must demonstrate that it is financially capable of continuing its operations under the terms of its license to use space. The child care Provider agrees to provide upon request financial statements, which may include quarterly financial statements and/or an annual audit by an independent reviewer.

l. The Child Care Provider shall provide all supplies (consumables and manipulatives) such as toys, food and curriculum materials which remain the property of the provider.

m. The child care provider shall agree to have GSA initiated program, health and safety reviews accomplished on center operations and shall meet all requirements as a result of these reviews.

n. The child care provider shall market the program, its quality and availability to Federal employees and others. This can be accomplished through newsletters, posters, building displays, lunch & learns, flyers, e-mail and other marketing techniques.

#### 5.STATUS OF THE CHILD CARE PROVIDER

The Child Care Provider is not an employee or agent of the Government. Parents with children enrolled at the center shall contract directly with the Child Care Provider. Except for matters explicitly addressed in this license, decisions and responsibilities with respect to program, levels of enrollment, fees, tuition, hiring, policy making, and any and all other aspects of the operation and conduct of the Center's business shall be the exclusive right, prerogative, and responsibility of the Child Care Provider.

#### 6.PRIORITY ENROLLMENT

The child care provider shall give priority for available child care services to employees of the sponsoring agencies. Per the conditions of 40 U.S.C. 490b Federal employees will be given priority placement for all available spaces and at least 50% of the children enrolled in the center should be children or dependents of Federal employees. If this requirement is not met a plan must be put into effect to increase Federal enrollment. Remaining enrollment may be open to the general public.

#### 7.INSURANCE

The Child Care Provider shall, at its own expense, provide and maintain during the term of this license, and any extension thereof, comprehensive liability insurance in an amount not less than \$1 million. A copy of the insurance certificate including renewals shall be provided to GSA prior to occupancy of the center or as soon thereafter as possible. An accident insurance policy will be maintained on all students by the Child Care Provider.

8. TUITION ASSISTANCE

A tuition assistance program for families in economic need shall be established. The tuition assistance program can/will be established through a nonprofit Federal employee organization.

9. TERMINATION

GSA or the Child Care Provider may terminate this license after \_\_\_\_\_ days written notice, or immediately if there is a substantial breach of the conditions of this license.

10. EFFECTIVE DATE AND DURATION

This agreement is effective on the date of the last signature and will continue in effect for each party unless and until terminated by either party under the conditions in section 8 of this agreement. *(Can set a term)*

11. MODIFICATIONS

This agreement may be modified at any time by written agreement of the parties.

12. CHANGES IN STATUS

The Child Care Provider agrees to notify GSA immediately of any changes in the manner in which the Center is being operated or in its change of status including the creation of any public private partnerships. This license is nontransferable and may be cancelled if the provider sells its business.

**APPENDIX G**

**MODEL**

**CONTRACT BETWEEN BOARD OF DIRECTORS OF**

\_\_\_\_\_ **CENTER, INC.**

**AND**

\_\_\_\_\_ **(name of provider)** \_\_\_\_\_



CONTRACT BETWEEN BOARD OF DIRECTORS OF CENTER INC.  
AND  
COMPANY  
TO OPERATE AND MANAGE CENTER

The Board of Directors of Center Inc. was incorporated as a non-profit entity to provide child care services for the children of employees of the agency(ies) at [address]. By entering into this contract with the Board of Directors, the Company agrees to furnish and deliver all services set forth or otherwise identified within this Contract.

**SECTION A. GENERAL REQUIREMENTS**

**1. Provider.**

Company shall manage and operate the Child Care Center for the use of employees of the agency, other agencies and the public, and to furnish all materials and perform all tasks necessary for providing an on-site, high quality, full-time child development program which will provide an environment in which children can develop to their optimal potential.

As a Federal child care center, Company will comply with all terms and conditions of the GSA Licensing Agreement. Company will also be committed to recruiting and retaining qualified staff; providing a clean, healthy, and safe environment; obtaining accreditation by the National Association for the Education of Young Children (NAEYC); and providing accessible child care for Federal employees and others.

**2. Board of Directors.**

The Board of Directors will provide general oversight of the Child Care Center to ensure that a quality child care program for the children is provided at the Center. The Board will also conduct fundraising for tuition assistance to ensure that the Center is affordable to parents in the federal community.

In addition to the above, the Board of Directors will:

1. Receive and review the reports submitted by Company;
2. *Concur in the choice of key personnel at the Center;*
3. Have a member of the Board who is not a Government employee act as liaison between Company and the Federal and local government agencies;\*
4. Develop policies regarding tuition assistance;

-----  
\*Before including this point as written in the contract, review P.L. 104-177 as noted in the last paragraph of Article III in the Bylaws model in this manual.

5. Keep confidential all information received from Company deemed as confidential;
6. Conduct an annual review of the Center to include upcoming budgets;

**SECTION B. DESCRIPTION OF THE CENTER**

**1. Interior.**

The Center is located at

**2. Exterior.**

**SECTION C. SERVICES/SUPPLIES**

A list of the current equipment/furnishings supplied by [agency] that are at the Center is attached.

Company shall be responsible for obtaining and maintaining general supplies, educational materials, and providing services as needed for operating the Center including, but not limited to: obtaining supplies such as dishwashing soap, laundry detergent, cleaning supplies and paper products, acquiring expendable program materials such as toys, paper, paints, pencils, and crayons, maintaining the day-to-day cleanliness of the Center such as mopping up spills, cleaning counter tops, etc., and procuring office supplies.

#### **SECTION D. OPERATIONS**

Company shall perform all tasks necessary to manage, staff, and operate a high quality child care center to accommodate up to [#] children, from [ ] weeks to [ ] years of age. The ratio of staff to children must, at a minimum, meet the licensing requirements of the [applicable jurisdiction] licensing standard for child care centers and NAEYC, whichever is more stringent.

Company shall begin the accreditation process within one year of beginning operations and achieve accreditation within 2 years of the date of this contract, and maintain accreditation.

##### **1. Priority of Enrollment.**

1. Children of employees of .
2. Siblings of children of employees of .
3. Children of other Federal agency employees.
4. Dependents of the general public. (Must meet the requirements of 40 U.S.C. 490b) .
5. Children of Federal employees will have preference on all waiting lists.

Company will administer the enrollment policy, which will be reviewed by the Board on a quarterly basis.

##### **2. Non-Discrimination Policy.**

The Center shall admit children without regard to race, color, creed, religion, or national origin. In regard to admission of and reasonable accommodation for children with disabilities, the Center shall adhere in spirit and practice to provisions of Section 504 of the Rehabilitation Act of 1973, as amended, for programs and activities receiving Federal financial assistance. (28 CFR Part 41). Company shall adhere to NAEYC's Standards of Ethical Conduct.

##### **3. Days of Operation/Hours. [negotiable]**

The Center will be open year-round, Monday through Friday, excluding Federal holidays and special Federal closings (e.g. closing due to weather and/or Inauguration Day) or natural disasters as determined by the Administrator of GSA. The center may close one week per year for the accomplishment of deep cleaning or maintenance repairs with the approval of the Board. The Federal holidays are as follows:

New Year's Day  
Martin Luther King's Birthday  
Washington-Lincoln Birthday  
Memorial Day  
Independence Day  
Labor Day  
Columbus Day  
Veterans Day  
Thanksgiving  
Christmas Day

The hours of operation shall be 6 a.m. - 6 p.m. but may be changed from time to time by mutual agreement of Company and the Board as deemed necessary.

#### **4. Management of the Center.**

Company will have four major areas of responsibility:

4.1. Program Development. Company shall be responsible for developing, administering, and providing the program of the Center to achieve the goals stated herein. Each of the groups in the Center must have a separate program geared specifically to that group, including, but not limited to: schedule of activities; curriculum model and any special program features that will be included in the program; discipline policies; plans for field trips and the type of transportation to be provided; and the provision of meals and snacks.

4.2. Personnel Management. Company shall be responsible for:

a. Defining staff needs;

b. Hiring and firing of staff, as necessary, including checking required references. Employees must meet the [applicable (specify)] licensing standard for child care centers and the GSA Licensing Agreement between GSA and Company and have criminal history background checks and current TB test results on file. Staff will be employees of Company, and not the employees of the Board of Directors of Center. Company will maintain complete staff files containing documentation of criminal history background checks, education, training, experience, employment, time, attendance and payroll records, licenses, awards, performance evaluations, and discipline or corrective action reports. In addition, there shall be a minimum of one staff member in each classroom at all times who is child/infant CPR certified NLT January 1, 19\_\_\_. Yearly CPR recertification is required.

c. Providing career development and staff training. Provide to the Board of Directors a quarterly record of proposed and completed workshops, conferences and training sessions for staff development. Ensure that at least one staff member attends the GSA Annual Child Care Conference.

d. Establishing procedures for hiring substitute staff so that the Center is adequately staffed at all times.

e. Establishing personnel policies.

f. Establishing employee salaries, benefits, and a staff handbook.

4.3 Administration. Administrative responsibilities should include, but are not limited to the following:

a. Conducting registrations and admissions. This includes establishing a record for each child which includes: assessments, health records, attendance, injury reports, illnesses, immunization records and meetings with parents.

b. Promoting media coverage and marketing the Center.

c. Establishing and maintaining operating procedures.

d. Providing day-to-day on-site management of the Center.

e. Training and supervising staff.

f. Ensuring required reports are submitted on a timely basis.

g. Obtaining and maintaining all necessary insurance and licenses consistent with Federal and local requirements, including any necessary modifications.

h. Providing nutritious meals and snacks (negotiable)

i. Providing copies of parent notices, handouts and other literature to the Board of Directors.

j. Establishing policies for parent involvement and participation, including but not limited to: access to faculty for ongoing consultation/meetings; access to the children during the day; participation in daily activities and special activities; parent/teacher conferences.

k. Establishing policies dealing with absences (including vacations, illness, etc.) of children enrolled in the Center full time.

l. Allowing drop-in care during working hours on a space available basis. (negotiable)

m. Maintaining insurance policies, including a minimum of \$1 million dollars liability insurance on officers of the Board of Directors.

n. Completing all necessary forms, reports and deliverables as described herein.

o. Maintaining confidentiality of personal records of children and families.

p. Recommending classroom configuration for full enrollment and current enrollment.

q. Providing copies of accident reports to the Board of Directors, and the Regional Child Care Coordinator, within 24 hours of occurrence.

r. Adhering to local, Federal, NAEYC and GSA policies and requirements and complying with all requirements included in GSA's licensing agreement (see attached).

4.4. Parent Communication. Company shall maintain open and ongoing communication with the parents using resources, such as:

a. Parent Handbook

b. Administration of Annual Parent Survey

c. Planned parent events, such as an "Open House"

d. Annual Parent Teacher conferences

e. Adherence to requirements of NAEYC accreditation

## **5. Payment and Collection of Fees.**

It is the intent of the Board of Directors that the Center be a self-sustaining operation. The funds required to run the Center must be derived from fees charged to the users and/or grants and other subsidies. The Board assumes no responsibility for collection of fees.

Company will establish policies for the Center as outlined in the Parent Contract, which are subject to reasonable changes. This contract supersedes any conflicting provisions in the Parent Contract.

The Board of Directors will annually review the Center's financial status and audit and will review Company requests for changes in fees for the coming year. The annual review will take place no later than July 30 of each year. Parents will receive 30 days notice prior to implementation of new tuition rates.

## **SECTION E. PERFORMANCE**

**1. Effective Date and Duration.** This contract is effective on the date of the last signature below and, unless terminated by either party under the conditions in the Termination section below, will continue [indefinitely] or [state termination date and renewal options].

(If a definite termination date is listed) [Up to, but no later than 60 days prior to the end of the initial term, the Board retains the right to terminate any option for renewal under this agreement. After the initial period is complete, without the aforementioned termination, the Board shall have the option for renewal for successive 3 year terms. The Board shall have the right to terminate any further renewal periods and this agreement shall terminate between the parties provided that notice is provided no later than 60 days prior to the end of the initial or any renewal period.]

The Board must notify Company of whether or not it shall exercise its option to renew no later than 60 days prior to the end of the initial period or subsequent renewal periods. If the Board notifies Company of its intent to renew the contract for any option period, Company shall have 30 days after receipt of such notice in which to advise the Board of its intention to terminate the Contract. If Company does not reply within the 30 day period, the contract will continue in full force and effect for the next option period.]

**2. Termination.** This contract may be terminated prior to the expiration of its terms under the following conditions:

a. If the Tribble Amendment, 40 U.S.C. 490b, which authorizes such agencies to provide the premises and related services, shall be repealed or amended in any manner which deprives the Board or Company of the ability to use the premises to provide child care services, the Contract may be terminated as of the effective date of such event.

b. If there shall occur or shall become known to either party a material breach of the other's obligations, representation, or warranties under this Contract, such party may terminate this Agreement upon thirty (30) days of receipt of such written notice.

c. If the GSA License is revoked, this contract shall terminate.

d. Notwithstanding the provisions in section b. above, and by mutual consent, if there shall occur or become known to the Board at any time after the effective date of this Contract a material breach of Company's obligations under this Contract which in the Board's reasonable judgment jeopardizes the safety, health, or well-being of the children cared for in the Center, the Board shall have the right to suspend this Contract immediately. Thereafter, the Contract may be terminated pending normal processes described above for review and determination of the allegation of breach.

### **3. Reporting Requirements.**

Company is responsible for providing the following:

a. (As applicable) Reports

1. Accidents/Injuries
2. Problems or other pertinent information

b. Quarterly Reports

1. Proposed and completed staff training
2. Enrollment and waiting list broken down by Federal and non-federal status

c. Annual Reports

1. Salary breakdown of each employee
2. Financial audit
3. Proposed budget

d. Evidence of criminal history background checks for administrators and staff

e. Staff licenses and certificates as necessary

f. Upon reasonable request by the Board, Company shall respond to reasonable questions concerning its financial capabilities under terms of the contract to operate at this site. Company agrees to provide the Board with a copy of its audited financial statements for the center no later than 30 Jan for the previous year. Audit shall be conducted by a Certified Public Accountant.

g. Provide to the Board NLT (Date), a job description of each position at Center including substitute and volunteer positions. In cases where an employee functions in a dual capacity position, include percentage of time spent at each function.

### **SECTION F. SPECIAL REQUIREMENTS**

**1. License.** Company shall be responsible for obtaining and/or reviewing the necessary Federal and local licenses needed for operating the Center.

Company shall show and display within the Center proof of all licenses and permits, and all applicable documents issued by local authorities for operating in locality.

**2. Insurance.** The following insurance is required:

1. Liability as required in the GSA Licensing Agreement
2. Accident Insurance on each child

Date

**APPENDIX H**

**MODEL**

**CONSORTIUM AGREEMENT  
BETWEEN  
THE US GENERAL SERVICES ADMINISTRATION,  
NONPROFIT BOARD,  
PROVIDER,  
AND  
PRIVATE ASSOCIATION**

## FERC Child Development Center Consortium Agreement

(Effected May 25, 1 993)

The Partners:

FERC Day Care, Incorporated - the Center's Board of Directors

American Psychological Association (APA) - The Private Firm

Bright Horizons (BH)- The Child Care Provider

General Services Administration

APA Bought	How it Works
3 emergency backup spaces (1-infant, 1-young toddler, 1-preschool)	<p>APA pays regular tuition rate for each space to BH.</p> <p>The APA employee pays APA an amount set by APA whenever a space is used. (This arrangement is outside the purview of the consortium.)</p> <p>This increased the enrollment in the center by 3 children.</p> <p>These spaces are for the sole use of APA employees.</p>
Priority rights for 10 spaces (2-infant, 2-young toddler, 2-older toddler, 4-preschool)	<p>APA pays BH \$2000 per space over a 3-year period. (A total of \$20,000.)</p> <p>BH allocates the same amount to the scholarship fund. (80% goes to scholarships and 20% to teacher bonuses or additional scholarships.)</p> <p>APA employees enrolled in the spaces pay the regular tuition rate to BH.</p> <p>These spaces are for APA employees if they have a need. If not, it moves to the next level of priority.</p> <p>It increases enrollment by drawing on the APA population, and provides scholarships allowing more families to participate in the center.</p>

- APA has one voting slot on the board of directors and one voting slot on the scholarship committee.

- Any family who qualifies is eligible for tuition assistance whether FERC, other Federal employees, APA, or private sector employees.



Consortium Agreement (Agreement} Between the  
General Services Administration,  
Nonprofit Board,  
Provider. and Private Association

Pursuant to the authority provided in Section 528 of Pub. L. 102-393, dated October 6, 1992, this agreement is entered into and is effective as of this \_\_\_\_\_ day Of \_\_\_\_ , 19\_\_ by and between the General Services Administration (GSA), Non-profit Board, Provider, and Private Association

Whereas, GSA and Provider have entered into a licensing agreement to provide a location for the provision of child care services at (location of facility); and

Whereas, the Nonprofit Board is a nonprofit corporation which provides child care services for the employees of agency)' Federal employees, and the general public at the Center,

Whereas, Private Association desires that its employees have access to child care services at the Center; and

Whereas, Nonprofit Board has contracted with Provider to operate the Center, located at (location)

Now, therefore, GSA, Nonprofit Board, Private Association, and Provider do hereby agree, acknowledge, and attest as follows:

1.  
Definitions

∴

- a. "Center" means the (identify Center) which GSA licensed and Provider operates for the Nonprofit Board at (location of Center);
- b. "Contract" means the contract agreement that Provider has with the Nonprofit Board for operating the Center;
- c. "Back-up Care Spaces" means child care spaces reserved under this Agreement to provide child care from time to time on an as-needed basis for Private Association employees;
- d. "Priority Rights" means that parents shall have the specified priority for a child care space

when vacancies occur at the Center. Priority Rights are assigned as follows:

1. Private Association employee infant siblings of child already enrolled in Center)<sup>3</sup>

2. Sponsoring Agency employee infant siblings
3. Federal employee infant siblings
4. Private Association employees<sup>4</sup>
5. Sponsoring Agency employees
6. Federal employees
7. General public infant siblings
8. All other siblings
9. General public, other

- e. "Property" means the land and buildings located at (location);
- f. "space" means the capacity to accommodate child care services for one child;
- g. "Child" means any biological child, adopted child, foster child, grandchild or any child for which an employee acts as the legal guardian;
- h. "Private Association employee" means any person employed by the Private Association; however it is within the sole discretion of Private Association to determine whether an individual employee is entitled to any Priority Rights.

2. Priority Rights Spaces at Center. In consideration of payment of the fees set forth below, the Private Association will have Priority Rights to 10 spaces at the Center for the term of this Agreement. These ten spaces will include 2 infant spaces, 2 young toddler spaces, 2 older toddler spaces and 4 preschool spaces. Accordingly, a Private Association employee on a waiting list for the Center shall have Priority Rights, as defined in Paragraph 1.d. above, for an available space at the Center or for a space which is vacated when a child leaves the Center or moves to an older age group, as long as such space is appropriate to the age and needs of the child. In order for Private Association and Agency employees to have a reasonable

---

<sup>3</sup><sup>1</sup>Private Association's priority for a space is contingent upon Association's not having filled 10 spaces as designated in this Agreement. If Association has filled all 10 of its designated spaces, it will no longer have a priority and will be in the same category as a member of the general public for any additional spaces.

<sup>4</sup>See 1, above

opportunity to take advantage of an opening at the Center, Provider shall maintain a waiting list at the Center which may be reviewed by the Management Oversight Group. If and when an employee with Priority Rights is on a waiting list, Provider will notify the appropriate representative on the Management Oversight Group before offering the last available space in the at appropriate age group to a parent who is in a lesser priority category with respect to that opening. It is understood by all parties that the Center will not be required to terminate the Enrollment of a child currently enrolled in the Center or who may become enrolled in the Center to provide the Priority-Rights Space is at the Center. At any time that Private Association employees do not use such Priority Rights Spaces, Provider may offer the spaces to the other priority holders identified in Paragraph 1.d. of this Agreement. It is also recognized that Private Association employees may occupy more than 10 spaces at the Center. Private Association employees, however, have priority for only the 10 slots which Private Association has funded through this agreement.

3. Cost and Payment. To reserve Priority Rights Spaces, Private Association agrees to pay Provider, on behalf of, and as operator of, the Center, \$\$\$\$ per space as a one-time fee, \$\$\$\$ of which is due and payable upon execution of this Agreement, and an additional \$\$\$ to be paid at the beginning of the second and third year of this Agreement, to assist in defraying the salaries and benefits provided for any Provider personnel. It is understood and agreed by all the parties to this Agreement, that Provider will immediately allocate an amount equal to the Private Association payment, and designate the Provider's funds to be used for the Scholarship Fund of the Center. 80% of the designated funds will go to scholarships for any eligible child in the Center and 20% will be allocated at the mutual discretion of the Board of Directors of Center and Provider for teacher bonuses or additional scholarships. Any tuition fees shall be the responsibility of the parents who use the Center and shall be in addition to the fees stated herein.

4. Option to Continue Priority Rights. To the extent that this facility is operated beyond the period of this Agreement, Private Association will have the option to continue its Priority Rights for an equivalent period subject to its continuing payment of an annual fee for each space. In the initial year of any such extension, such fee shall be SSSS per space, and such fee shall be increased in the same proportion as the average tuition increase annually during the option period. In the event that an extension period is for less than a one year period, this fee will be pro rated to reflect the applicable period.

5. Back-Up Care Spaces. In consideration of payment of the fees

set forth in this section, Private Association will have available three (3) Back-Up Care spaces at the Center for the term of this agreement. The Private Association will have one space in each of three groups for back-up care. These three groups are identified as infant, younger toddler, and preschool. The annual tuition rate for all three Back-Up Care Spaces is \$\$\$\$ prorated monthly for any partial year, and payable to Provider, on behalf of, and as operator of, the Center, to be used by Provider for staff salaries and benefits. These payments will be made in advance in equal quarterly installments. Effective with any increase in Provider's tuition as provided for in the Contract, the payments will be adjusted to reflect the new tuition for each of the three spaces. Provider will work with Private Association to collect any and all fees Private Association decides to charge Private Association's employees for using these three Back-Up Care spaces. Any money collected from Private Association's employees for using these three Back-Up Care spaces will go to Private Association.

6. The term of this Agreement will begin on (date), and terminate on (date), unless the Contract is terminated earlier pursuant to its provisions, in which case this Agreement shall also terminate. If the Contract is extended by the parties thereto beyond its initial term, Private Association shall have the option of renewing this Agreement for an equal period and shall advise all parties to this Agreement of its intent to do so no later than three (3) months prior to the end of the initial term and each successive term. Any such successive term of this Agreement shall also be subject to termination should the Contract be terminated pursuant to its provisions.

7. Enrollment Procedure. Private Association agrees that all employees of Association who desire to use the Center must complete the standard application and enrollment forms used in the Center, pay all application and tuition fees to Provider and otherwise comply with all terms and Conditions applicable to families utilizing the services of the Center. Provider shall have no obligation to provide services under this Agreement to any employee who has not completed such standard forms, paid all appropriate application fees and tuition when due, and otherwise complied with the terms and conditions applicable to Center families. Provider is an equal opportunity employer and in all decisions regarding employment and enrollment of children shall abide by all federal and State statutes with respect to discrimination.

8. Marketing. Private Association and Nonprofit Board will cooperate and work with Provider to market the Center to their employees and to coordinate with Provider concerning their communication with employees about their rights and obligations under this program. No materials used to market the Center shall be distributed by any party to this agreement without the prior

review and consent of Provider. Nonprofit Board and Private Association, respectively, shall have the right to review in advance and approve all materials regarding the Center that are targeted exclusively at Agency or Private Association employees or that mention the Agency and/or Nonprofit Board or Private Association.

9. Board Membership. Upon execution of this Agreement, the Private Association will have the right to have one voting member on the Nonprofit Board of Directors. In addition, the Private Association will have one voting member on the scholarship committee of the center.

10. Indemnification. Provider agrees to indemnify Private Association against, and hold Private Association harmless from any and all claims, actions, suit, proceedings, costs, expenses, damages, judgments and liabilities, including reasonable attorney's fees, arising out of or connected with the child care services to be provided by Provider under this Agreement. Without limiting the generality of the preceding sentence, Provider expressly agrees to indemnify and hold harmless Private Association from any and all claims, actions, suits, proceedings, costs, expenses, damages, judgments and liabilities, including reasonable attorneys fees, in any way arising out of or connected with any person or other injuries suffered by children under the care of Provider, or parents and visitors to the child care center run by Provider pursuant to this agreement, regardless of the cause of injury. Provider shall, at its own cost and expense, defend any and all suits that may be brought against Private Association, either alone or in conjunction with others, upon any such liability or claim or claims and shall satisfy, pay and discharge any and all judgment and fines that may be recovered against Private Association in any such action or actions, provided, however, that Private Association shall give Provider prompt written notice of any such claim or demand.

In no event shall Private Association be liable to Provider for any acts or omissions of the children or parents who utilize the center pursuant to the terms of this Agreement.

In no event will Private Association have the right to bring suit on behalf of itself in connection with any acts or omissions of Providers' employees taken or failed to be taken with respect to the children or parents who utilize the center pursuant to the terms of the Agreement, except that Private Association may bring suit to enforce the terms of this Agreement.

Private Association shall defend and hold Provider harmless against all expenses, judgment and losses for claims or actions or violations of other rights that result primarily and directly

from Private Association's actions, failure to act, specifications or instructions, provided that Private Association is notified promptly in writing of any such claim or action and shall have sole control of the defense of any such claim or action and all negotiations for its settlement or compromise.

11. Liability Insurance. In accordance with the GSA licensing agreement entered into by and between Provider and GSA on (date), Provider shall obtain and maintain an insurance policy or policies covering Provider's activities at the Center that includes liability insurance for the children in the Center. This insurance policy must also include the Private association as additional insured. Provider shall provide to Private Association certificates of such insurance within thirty (30) days of the execution of this Agreement.

12. Waiver. The delay or failure of either party to exercise any right provided herein shall in no way affect its rights at a later time to enforce that right or any other rights under this Agreement. No waiver shall be effective unless it is in writing and signed by the waiving party.

13. Severability. If any provision of this Agreement is declared invalid by a court of competent jurisdiction, then it shall be deleted as though it had never been included in the Agreement and the remaining provisions of the Agreement shall remain in full force and effect, unless such deletion materially frustrates the purpose of any party in entering into this Agreement, in which case the parties shall have the option of voiding the Agreement or renegotiating its terms.

14. Taxes. Provider shall have the sole responsibility for payment of any taxes applicable to the business of the Center.

15. Status of Parties. Neither Private Association, Nonprofit Board nor Provider are employees or agents of GSA. Each of these parties is independent, and no party shall be, or represent itself to be, the joint venturer, franchisor, franchisee, partner, broker, employee, servant, agent or representative of any other party for any-purpose. No party shall be Responsible for the acts or omission of any other party, except to the extent provided in the Indemnification contained in paragraph 10 of this Agreement, and no party shall have the authority to make any representations or incur any obligations on behalf of any other party.

Parents with children enrolled at the Center shall contract directly with Provider. Except for matters explicitly addressed in the GSA/Provider Licensing Agreement, decisions, and responsibilities with respect to program, levels of enrollment, hiring, policy making, and any and all other aspects of the

operation and conduct of the Center's business shall be the exclusive right, prerogative, and responsibility of Provider.

16. GSA/Provider License Agreement. The Licensing Agreement between GSA and Provider, including the Special Conditions thereto, as modified on (date), is incorporated herein in its entirety.

17. Nonprofit Board/Provider Contract. The Contract between Nonprofit Board and Provider, dated (date), is incorporated herein in its entirety.

18. Amendment. This Agreement may be modified, changed or amended only in writing signed by all parties. No employee of any party other than an authorized officer or employee of that party shall have any actual or apparent authority to modify the terms of this Agreement.

19. Management Oversight Group. A Management Oversight Group will be established to oversee the implementation of this Agreement. Each signatory to this Agreement and the (sponsoring agency) will be a member of the Management Oversight Group and will appoint 1 member and an alternate to serve as a representative to that body. The Management Oversight Group will meet, at a minimum, twice a year.

20. Notices. Except as otherwise specifically provided herein, each notice required or permitted shall be in writing and signed by a duly authorized representative of the party initiating the notice, and shall be sent by any means requiring receipt signature, or by facsimile transmission confirmed by certified mail, to the following address unless changed by written notice:

GSA:                      Regional Child Care Coordinator  
                                 General Services Administration

Nonprofit                Board Chair  
Board:                    Address

Private                   Association address  
Association:

Provider:                Provider's Address

Each notice shall be effective upon initial receipt by the addressee, or when the addressee refuses to accept the notice if that is the case.

21. Headings. The headings and titles used in this Agreement are for convenience only and shall not limit, expand or otherwise affect any of its terms.

22. Disputes. Nonprofit Board, Private Association and Provider

agree that, in the event that they are unit to resolve amicably any dispute that may arise regarding their respective rights, duties or obligations under this Agreement any party shall have the right to submit the disputed issues to binding arbitration pursuant to the rules and auspices of the American Arbitration Association. The arbitrator(s) may grant any relief as may be just and equitable, including specific performance and declaratory relief. The parties further agree that the site of such arbitration shall be Washington, DC and that judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

Notwithstanding the forgoing, however, if such a dispute arises between or among GSA and one or more of Nonprofit Board, Private Association and Provider, no party shall be bound to arbitrate that dispute.

23. Entire Agreement. This Agreement is the complete and exclusive statement of the agreement between the parties and supersedes all prior oral and written agreements, communications, representations, statements, negotiations and undertakings relating to the subject matter hereof. In the case of any conflicting provisions or language between the GSA/Provider License or the Nonprofit Board/Provider Contract and this Agreement, this Agreement governs.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first set forth above.

General Services Administration (GSA)

By: \_\_\_\_\_  
Name

\_\_\_\_\_  
Title

Nonprofit Board

By: \_\_\_\_\_  
Name

\_\_\_\_\_  
Title



Private Association

By: \_\_\_\_\_  
Name  
\_\_\_\_\_  
Title

Provider

By: \_\_\_\_\_  
Name  
\_\_\_\_\_  
Title

**APPENDIX I**

**SOLICITATION FOR  
CHILD CARE PROVIDER**

## **Solicitation for Child Care Provider**

### **BACKGROUND:**

The (insert name of Board of Directors), a private not-for-profit corporation, herein referred to as the "Board, is seeking a professional provider for the on-site child care center located at (insert address). The child care center is located in space controlled by the U.S. General Services Administration (GSA) and is, therefore, subject to requirements of the GSA.

The child care center was opened under the authorities of Title 40 United States Code Section 490b. The authority identifies the need for quality child care service at the Federal workplace. Federal employees receive priority rights to enrollment and a minimum of 50 percent of the children must be children from Federal families. The center receives space free of charge of rent, utilities, janitorial services, and equipment. All other costs are the responsibility of the Provider.

A Provider will be selected to operate the child care center consistent with the requirements of this request. The selected Provider will be required to (1) enter into a contract with the Board based on the terms and conditions of this request; (2) sign a license agreement for use of the space with GSA.

### **CHILD CARE CENTER DESCRIPTION:**

The center was opened in \_\_\_\_\_. The plan is for the new provider to assume operations on (insert the date). The center occupies approximately \_\_\_\_\_ sq. ft. indoors. The center houses classrooms and a separate multipurpose classroom. An outdoor playground of approximately \_\_\_\_\_ sq. ft. is located adjacent to the Federal building.

The center licensed capacity is \_\_\_\_\_ children. Ages of children are from \_\_\_\_ months to \_\_\_\_ years. Current enrollment by classroom is as follows:

The center includes a (designate commercial or residential) kitchen. A catered lunch program is provided by (insert name of vendor). The cost of snacks and meals is included in the tuition fees.

The Board cannot guarantee enrollment; traditionally, the center has been enrolled at near or full capacity. A waiting list exists for the following classrooms:

### **BOARD-PROVIDER RELATIONSHIP:**

The Provider will be responsible for all aspects of the management and operation of the center.

The Provider understands and agrees that the services to be provided under this agreement by the Provider are non-personal services. The parties recognize that no employer-employee relationship exists or will exist under this agreement. For the purpose of this agreement, the Provider's employees shall not be subject to the supervision of Board members or Federal officers or employees while engaged in the performance of their duties. The Board and Provider will meet on a regular basis, typically not more than monthly. The Board President will be the Provider's point of contact for special situations and emergencies.

### **BOARD RESPONSIBILITIES:**

The Board will enter into a contract with the Provider that will specify the agreements made by both parties. The Board will provide a forum for business or other communication, as either party desires. The Board will act as

liaison with the Federal community and will keep the Federal community apprised of developments at the center. Annually, upon receipt of the annual audit and proposed budget from the Provider, the Board will review tuition rate changes. The Board will raise funds and administer the tuition assistance program for families in need of financial support.

#### **PROVIDER RESPONSIBILITIES:**

The Provider shall perform all tasks necessary for the operation of a quality child care and development center consistent with this request and meeting or surpassing the requirements of local and/or State licensing regulations.

The Provider should use the criteria from the National Academy of Early Childhood Programs' (NAECP) accreditation requirements as the standards for this solicitation. The NAECP is a division of the National Association for the Education of Young Children (NAEYC). Therefore, criteria related to staff qualifications, curriculum, parent involvement, and all other aspects of the NAECP/NAEYC accreditation requirements will not be repeated here.

In addition to the criteria referenced above, the requirements of the special conditions to the GSA licensing agreement apply. A copy of a sample license agreement with special conditions is included with this request.

Besides the requirements of the two documents named above, the following terms and conditions will apply:

- a. Maintain and operate the child care program from (insert a.m. time) to (insert p.m. time) Monday through Friday with the exception of 10 Federal holidays and one week during which the center will close for deep level cleaning and staff training.
- b. The Provider shall establish all operating policies including staff and parent policies.
- c. The Provider shall collect all tuition fees and other moneys necessary for the operation of the program.
- d. The Provider will maintain an enrollment that will reflect a minimum of 50% of enrolled children from Federal families.
- e. The Provider will provide the Board and GSA an annual audit of the center's financial books, records, and expenditures by an outside, independent, certified auditor or accountant. The audit shall reflect the financial status of the center and no other center with whom the Provider has a relationship will be included.
- f. The Provider is responsible for staff recruitment and staff training. The Provider will provide staff benefits including, but not limited to, vacation and sick days and health coverage. The Provider may provide dental coverage and/or a retirement plan.
- g. The Provider will publicize and market the center as appropriate.

#### **SPECIAL REQUIREMENTS:**

The agreement is not affected by oral agreements.

The Board is interested in a commitment to retain the current staff on an initial probationary basis.

The Board wishes to be insured through a rider to the Provider's liability insurance policy.

#### **PERIOD OF PERFORMANCE:**

The period of performance shall continue indefinitely unless the Provider fails to meet the requirements specified in this request, the contract, and the GSA licensing agreement with special conditions in which case the Provider will receive 30 days written notice to terminate the agreements. The Board will conduct a review of the Provider's performance after the first 6 and 12 months of performance.

**PROPOSAL FORMAT:**

All responses must be received no later than 4:00 p.m. on (insert date) to the following person at the following address:

The proposal must include four copies of the proposal. The proposals shall be written in two separate sections:

Section 1. Technical Proposal;

Section 2. Cost Proposal. The technical proposal shall contain no references to or discussion of cost.

The Board will evaluate proposals based on criteria for quality child care programming, sound financial plans, and succinctness. The proposal should demonstrate the provider's understanding of the requirements and their ability to meet the requirements in a clear, concise and logical manner.

**TECHNICAL PROPOSAL:**

The technical proposal shall include:

1. A statement of philosophy and mission, including what are considered by the provider to be the three most important goals of a child care program.
2. In no more than one page, the overall curriculum philosophy and approach. If a particular curriculum model is subscribed to, name it.
3. Staffing patterns with accompanying staff qualifications (e.g., if a head teacher and assistant are assigned a particular classroom, list the types of credentials and/or experience each should have). Staffing patterns should reflect all parts of the day.
4. A sample schedule of daily activities and special activities.
5. Schedules for obtaining local and/or State Licenses and NAEYC accreditation.
6. Proposed food service.
7. Copy of the parent handbook
8. Copy of the staff handbook
9. Five references (names, affiliations, telephone numbers) who have firsthand knowledge of your ability to successfully perform the requirements of this request.

**COST PROPOSAL:**

Use the attached budget format to identify cost and projected income.

1. Identify the cost per week for each category of user. Identify any additional costs to users besides tuition. Specify the services which are included in the tuition (e.g., food, special classes). Specify the number of hours of care per day the tuition fee reflects. Indicate, if appropriate, what charges will be for additional hours. The committee prefers for tuition to be all inclusive with the exception of diapers and baby food.
2. Identify salary costs and benefits.
3. Include administrative costs, insurance, food costs, marketing expenses, and any other expenses predicted for the operation of the center.

4. Besides tuition income, identify any other sources of income predicted as revenue (food subsidies, etc.). Do not include fundraising revenue that will be collected by the Board of Directors.

ANNUAL BUDGET \_\_\_\_\_ (      weeks)

INCOME

Total tuition income (based on \_\_\_\_% of enrollment;)  
 \_\_\_\_infants, \_\_\_\_toddlers \_\_\_\_2's \_\_\_\_pre-k \_\_\_\_\_

USDA funds \_\_\_\_\_

Voucher funds

Miscellaneous income (list sources) \_\_\_\_\_

Total Income\_\_\_\_\_

EXPENSES

Administrative salaries - center director \_\_\_\_\_

assistant director \_\_\_\_\_

cook/other \_\_\_\_\_

Staff salaries - based on \_\_\_\_ (# of) FT, teachers \_\_\_\_\_

based on \_\_\_\_\_ (# of) FT assistants \_\_\_\_\_

based on \_\_\_\_\_ (# of) part time staff \_\_\_\_\_

All applicable payroll taxes & unemployment insurance \_\_\_\_\_

Health insurance \_\_\_\_\_

Retirement benefits \_\_\_\_\_

Life insurance \_\_\_\_\_

Paid staff vacation /sick leave \_\_\_\_\_

Provider administrative fees \_\_\_\_\_

Food (is daily hot lunch provided? Yes/No) \_\_\_\_\_

Classroom supplies and equipment \_\_\_\_\_

Other supplies (kitchen and office) \_\_\_\_\_

Center liability insurance \_\_\_\_\_

Professional publications/memberships \_\_\_\_\_

Staff training (in-service, conference fees & travel)

Miscellaneous (postage, printing, advertising, special programs, transportation, License) List misc.

expenses as separate line items if an item is in excess of \$2,000 \_\_\_\_\_

Total Expenses \_\_\_\_\_

## **APPENDIX J**

### **FUNDRAISING GUIDE**



A PRACTICAL GUIDE TO  
FUNDRAISING FOR FEDERAL CHILD CARE  
CENTERS  
March 1992

Prepared by  
U.S. General Services Administration  
Office of Child Care and Development Programs  
Washington, DC  
(202)501-3965

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## PREFACE

Fundraising has become an important source of tuition assistance dollars for many Federal child care centers. We hope this document will take the mystery out of fundraising and will serve as a practical guide for boards of directors, parent advisory committees, and other volunteers.

We purposely exclude information on grant writing, soliciting corporations, and the Combined Federal Campaign, because information on these topics is available from other sources. Also, our discussion of legal considerations is necessarily general; centers are advised to consult their respective Federal agencies and buildings managers early in the fundraising process, even if events will be held off Federal property.

We welcome your comments about this guide and suggestions for fundraisers so that we can include them in future publications.

#### ACKNOWLEDGEMENTS

GSA wishes to acknowledge the contributions of Marcelle Hababion, Ph.D., Department of Veterans Affairs; Edwardene Pitcock, Department of Agriculture; and the directors and board members of child care centers operating in GSA managed space who provided proven fundraising ideas. The principal authors are Patricia F. Kinney, Ph.D, and Susan Grandy, Intern, Office of Child Care and Development Programs.



OFFICE OF THE DIRECTOR

**UNITED STATES  
OFFICE OF PERSONNEL MANAGEMENT  
WASHINGTON, D.C. 20415**

January 24, 1992

MEMORANDUM FOR HEADS OF DEPARTMENTS AND AGENCIES

FROM: CONSTANCE BERRY NEWMAN  
DIRECTOR  
SUBJECT: Special Solicitations for Child Care  
Centers Located at Federal Installations

Because the Federal Government has recognized the importance of appropriate child care benefit programs, many child care centers have been established at Federal installations. These centers provide accessibility to child care to increasing numbers of Federal employees. However, many child care facilities are now faced with the dilemma of how to maintain quality care at an affordable price.

Accordingly, many centers have applied for and received eligibility in the Combined Federal Campaign (CFC). However, some have requested permission to conduct additional charitable fundraising efforts outside of the CFC.

While Section 950.102 of the CFC regulations at 5 CFR Part 950 limits fundraising in the Federal workplace to the annual CFC, there is an exception to this limitation on solicitations that applies to child care centers. Section 7 of Executive Order 12353 (as amended) allows Solicitations conducted by organizations composed of civilian employees or members of the uniformed services among their own members for organizational support or for the benefit of welfare funds for their members. Such solicitations shall be conducted under the policies and procedures approved by the head of the Department or agency concerned.

We have determined that child care centers located at Federal installations fall within this exception and, therefore, may conduct special solicitations on their behalf under the policies and procedures approved by the head of the Department or agency concerned. In undertaking such a solicitation, the Department or agency's standards of conduct and any restrictions of the Office of Government Ethics regarding fundraising should be reviewed carefully. Nothing in this memorandum is intended to limit the opportunities for child care centers to seek support from non-Federal sources, from Federal employees outside the workplace, or to limit the opportunity for a Federal employee to use a private capacity to support the centers.

In conformity with the Office of Personnel Management's longstanding position that other charitable solicitations should not be conducted during the CFC, we are requesting that such solicitations not take place during the fall of each year when the local CFC's are in progress.

**SECTION 1**  
**WHY FUNDRAISING?**

Recent studies have shown that quality child care is expensive, and center-based care is generally the most expensive. Annual estimates from quality centers range from \$4,800 for preschoolers to over \$10,000 for infants. While these costs vary in relation to center size, staffing patterns, and geographic location, quality child care will always be expensive, even prohibitive to many families.

Under provisions of the Tribble Amendment (40 U.S.C 490b), Federal agencies are authorized to provide space for child care centers for Federal families without charge for rent or services.<sup>5</sup> Even with operating costs thus reduced, the cost of onsite child care remains high and, for some Federal families, unaffordable.

Costs remain high, because the major expense for child care centers is staff salaries and benefits, which cannot be paid with appropriated funds. Child care centers depend primarily on parent-paid fees for staff salaries and benefits. Salary costs are related to specific staff-to-child ratios for good care. For example, infants generally require nearly three times more staff than preschoolers. In addition, quality care requires recruiting competent, well-trained staff and retaining them with good salaries, benefits, and working conditions. Where child care is inexpensive, a direct link exists between low staff salaries and high staff turnover. Inferior care for children is the direct result.

A major goal for Federally sponsored centers should be to increase the affordability of onsite child care for as many Federal families as possible by providing tuition assistance. Fundraising is the major mechanism for raising tuition assistance dollars.

The success of fundraising within an agency is inextricably linked to the sponsoring agency's view of the center and of child care as a whole. Agency employees will be more likely to support a center's

fundraising if they support the center's program, value its mission, believe it provides a valuable service to Federal employees, and believe that dollars raised will directly benefit families who otherwise might not be able to afford an agency's onsite child care.

Word of mouth about a center will play a major role in developing positive perceptions among agency employees. To develop and maintain agency support, the center must provide a high-quality program, advertise its mission and program, and maintain constant, positive visibility.

Parent and public education is critical to gaining support for fundraising. A board that actively promotes a center has the opportunity to increase public awareness of onsite child care as a viable option for families. Public perceptions will directly affect the support--or lack of support--for all fundraising efforts. **Remember: agency employees are willing to support quality programs that promote laudable goals.**

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<sup>5</sup> 'Services' includes utilities, office furniture and machines, child-sized furniture and equipment, kitchen appliances, telephone system and service, and security systems.



## SECTION 2 LEGAL CONSIDERATIONS

A child care center, through its board of directors or Parent organization, can conduct a wide range of fundraising activities on and off Federal property if the activity meets certain criteria and if certain procedures are followed. In this section, different types of fundraising events authorized on Federal property, advertising, permitting, and certain IRS requirements are discussed.

### AUTHORIZED FUNDRAISING ACTIVITIES

The Public Buildings Cooperative Use Act of 1976, 40 U.S.C 601(a), authorizes fundraising in public areas on Federal property-- auditoriums, cafeterias, lobbies, foyers--during and after working hours if the activities can be classified as one of the following:

- Cultural: film, drama, dance, musical, and fine arts programs.
- Educational: library operations, lectures, demonstrations.
- Recreational: athletic events.

Examples of fundraising activities allowable on Federal property include art auctions, talent shows, film presentations, fashion shows, concerts, plays, lectures, dance recitals, book sales, walk/run events (1K, 5K, 10K), "celebrity" athletic events, and sports tournaments.

Certain fundraising activities do not fit the definition of a cultural, educational, or recreational activity, but are allowable on Federal property if cosponsored by an employee association or group. Examples include bake sales, jewelry sales, t-shirt sales, employee fairs or bazaars, cookbook sales. Employee associations and agency volunteer committees can be valuable resources for child care center fundraising activities.

Section 101-20.306 of the Federal Property Management Regulations (FPMR)

(41 C.F.R. 101-20.306) prohibits gambling on Federal property. Gambling includes lotteries, pools, and raffles. To have an event of this type, center parents, board members, and staff would have to sell tickets and hold lotteries, pools, or raffles off Federal property. They are expressly prohibited from selling tickets on Federal property or soliciting Federal employees while on their jobs.

FPMR Section 101-20.307 prohibits the use of alcoholic beverages, except "upon occasions and on property upon which the head of the responsible agency or his or her designee has for appropriate official uses granted an exemption in writing. Contact your agency management and building manager or landlord for guidance before

planning a fundraising event at which alcoholic beverages would be served.

#### ADVERTISING ON FEDERAL PROPERTY

A child care center may advertise its fundraising events on Federal property even if the event itself will be held off Federal property. It may advertise the event by displaying fliers, pamphlets, or posters on authorized bulletin board. or distributing materials in Federal building public arena. A permit generally is not required for displaying materials on authorized bulletin boards. Again, consult your agency management and building manager for guidance.

To distribute materials in public parts of General Services Administration (GSA)-controlled buildings, the center must obtain a permit from the buildings manager pursuant to FPMR 101-20.4. Centers in non-GSA space should contact their respective buildings manager for proper procedures.

#### PERMITTING

A child care center intending to conduct a specific fundraising event should contact the buildings manager well in advance for specific permitting instructions. For each fundraising event held on GSA-controlled property, child care center representatives must file a permit application with the GSA buildings manager (pursuant to FP~R Section 101-20.401). The application requires the following information:

1. Full name, mailing address, and telephone number of the applicant; the organization sponsoring the proposed activity; and the individuals responsible for supervising the activity.
2. Documentation showing that the applicant has authority to represent the center.
3. A description of the proposed activity, dates and times during which it is to be conducted, and the number of persons expected to be involved.

Further, the center will be required to submit a signed statement that:

1. The applicant is a representative of and will be soliciting funds for the sole benefit of the center.
2. The fundraising organization has received an official ruling of tax-exempt status from the Internal Revenue Service under 26 U.S.C 501 or, alternatively, that an application for such a ruling is still in process.

If the fundraising organization does not have nonprofit status, it cannot use Federal property for fundraising unless:

- The child care center vendor is incorporated and certified as a tax-exempt organization, or
- The fundraising organization affiliates with an employee organization, which could accept and disburse funds on the center's behalf.

### IRS REQUIREMENTS

Certain IRS regulations apply for nonprofit organizations conducting fundraising activities. Your tax consultant or account can provide information pertinent to your center's situation.

The IRS requires fundraising sponsors to tell donors how much of their donation is tax deductible--the portion of the donation that actually benefits the center. This means that the cost of food, beverages, or to gifts received in return for the donation must be subtracted from the donation amount and must not be claimed as a tax deduction. Several general rules apply:

- The cost of raffle tickets (which may not be sold on Federal property) is not tax deductible--the donor is purchasing the right to win something, which is not considered a donation.
- IRS generally rules that if a donor pays at least \$25 and receives a token (t-shirt, coffee mug) costing less than \$5 in return, the full \$25 is considered a tax deduction.
- Generally, if the price of a fundraising item represents its fair market value, such as a cookbook, no part of the purchase price is considered tax deductible.

Child care centers contemplating fundraising activities might want to consult two IRS publications for details:

- Publication No. 557, Tax-Exempt Status for Your Organization
- Publication No. 1391, Deductibility of Payments Made to Charities Conducting Fund-Raising Events

Call IRS--(800)829-3676--to order copies.

### SECTION 3

#### STEPS TO FUNDRAISING SUCCESS

Fundraising for child care can be rewarding, profitable, and fun! The keys to success are clear goals and an organization and volunteers who believe in the mission of the center and the fundraising purpose.

This section describes a step-by-step approach to successful fundraising. These steps are:

1. Set goals
2. Choose events and assess feasibility
3. Assign responsibility
4. Conduct your event
5. Evaluate the event's success
6. Provide feedback and thank participants

#### 1. SET GOALS

Setting 1- and 5-year goals will help you decide how much effort you need to devote to fundraising and which activities will be most appropriate. Planning ahead also allows you to capitalize on past successes--and avoid the not-so-successful events. To help you set goals, ask yourselves:

- How much do we want to raise? Is it feasible?  
Consider the talents, experience, availability, and numbers of your volunteers and your center's fundraising track record.  
Be realistic.
- What will we use the money for--will our volunteers be excited about this purpose?  
Volunteers and contributors are more likely to want to participate in fundraisers for things like tuition assistance, training, or enrichment programs than for reducing overhead or building a contingency fund: tuition assistance should be the primary goal. Be thoughtful and explicit, and let your purpose be well known.
- Can we repeat successful past events? Or do we need something new?  
Repeat your past successes, even the small ones--you can reduce your planning time, costs, and risks. Learn to recognize a "tired" event and avoid repeating it.

## 2. CHOOSE EVENTS AND ASSESS FEASIBILITY

Select several possible events and assess feasibility before choosing one. Sample fundraising events are described in the appendix. Review the following for each event:

- Estimate the amount of profit the event will produce. One big event usually requires more upfront money but may be worthwhile in the revenue it produces for the effort required.
- Assess the amount of time, money, and human and physical resources the event will require. Assess the willingness of volunteers to work on such an event. Determine if the goal of the event is reasonable given the available resources.
- Consider whether volunteers will enjoy working on the event. Many fundraisers attract numerous volunteers because it is widely known that the volunteers have fun during planning.
- Consider your organization's nature or culture when choosing an event. Ask whether the event is appropriate for the potential audience.
- Determine if the event is well timed. Avoid conflicts with other organizations. Try to link the event to special events such as Public Service Recognition Week, Black History Month, and other agency activities.
- Identify individuals who have had experience in their churches or communities with other fundraisers. They may be willing to conduct the same fundraiser for your organization.

## 3. ASSIGN RESPONSIBILITY

Once goals are set, you are ready to assign fundraising responsibility. You may use:

- The full board
- A fundraising committee responsible for all events
- A committee appointed for one event

You may want to assign long-range planning responsibilities to the full board, but divide short-term responsibilities by event. Remember that the primary role of center directors and staff is caregiving--not fundraising. They are appropriately involved in fundraising only as far as the children are involved. If the fundraising event is a holiday pageant or puppet show, director and staff involvement is appropriate.

Annual events that are successful tend to be anticipated by the Federal community. You may want to plan one annual, repeat event that will be anticipated every year, such as selling holiday giftwrapping paper every November. A few smaller events could then vary year to year . Avoid planning numerous small events, however--you will wear out your welcome with volunteers and supporters!

Remember to delegate! If everyone does a little, no one does a lot.

#### 4. CONDUCT YOUR EVENT

As you plan, organize, and conduct your event, keep the following in mind:

- Early contact with your buildings manager is critical. Buildings managers can help with a number of things, including timing, agency requirements, and set up for complicated events.

Timing: Buildings managers normally maintain annual agency calendars and can help you make wise scheduling decisions. With early review of the agency calendar, you can time your bake sale to avoid conflicting with similar events. You may also capitalize on complimentary events, such as selling pizza slices at the same time another group is having a book fair.

Agency Requirements: Buildings managers can also help assure full compliance with building requirements, and you can avoid last-minute surprises. For example, permits are required for fundraising events held on GSA-controlled property; see the discussion of permitting in Section 2. Check with him or her before making time and money commitments.

Event Set Up: Buildings managers often are experienced in successfully setting up complicated events, like auctions or large book fairs. Capitalize on this experience.

A supportive buildings manager is an important asset; a good relationship is worth cultivating.

- Involve agency leadership. Before you set dates, check with agency management for scheduling conflicts. Invite your agency director to buy the first poinsettia for your annual sale or sell chili at noon. Remember to take pictures for future publicity! Also, contact your agency's national and regional leadership for information about visiting dignitaries. Top management support offers a

tremendous opportunity for increasing center visibility and advertising fundraising events.

- Provide clear and simple directions to all volunteers. Hold an organizing committee meeting initially to assign tasks; avoid having too many meetings. One month before the event, hold a status meeting to share what has been accomplished and what needs to be done. Just before the event, hold a final meeting so that all directions are clear and last-minute details can be addressed.
- Keep clear and accurate records. These are invaluable as you evaluate your event's success and plan for future events. Include specifics: telephone numbers, problems, key volunteers, recommendations.
- Advertise aggressively. Use eye-catching well-written materials that explicitly state who is sponsoring the event, what is planned, and the event's purpose (who or what will benefit). If funds are to be used for tuition assistance, let it be known that your goal is to increase the number of families that will benefit.

Advertise in your agency or employee association newsletter, and notify your agency's volunteer committee. Look for creative advertising sources: bulletin boards outside your building, other centers, private companies. Some children enrolled at the center may be from non-Federal families. Be sure to send announcements of upcoming events to their parents' employers.

As you advertise, remember that your materials also advertise your center--take advantage of opportunities to display your center's logo, include photographs of children in action, or briefly highlight your program. Use all opportunities to enhance your center's visibility.

- Involve agency volunteer committees or employee associations. They probably have fundraising experience and may even offer to help or let your center participate in their events.
- Collect money before giving out merchandise. This will reduce your risks and eliminate embarrassing collect) on efforts on the part of your volunteers.
- Take photographs. Pictures of key parts of the event are useful for publicizing future events or thanking contributors and volunteers.

- Keep careful records of money spent and received. You may want to consider separating accounting duties to avoid one person having too much responsibility. For example, a volunteer selling tickets to an event would submit a written account of money received, a second person would receive and verify the amount, and a third person would deposit the money.

## 5. EVALUATE THE EVENT'S SUCCESS

Take time after your event to evaluate its success. Put your comments in writing--be brief. Include details you think may be useful in the future: telephone numbers, dollars spent and earned, problems, key volunteers, and recommendations. In evaluating your event, consider these questions:

- Did volunteers and contributors have a good time?
- Did you raise as much money as you hoped
- Was the effort expended worth the benefit received?
- Do you recommend repeating the event? If so, what would you do differently? If not, why?

This kind of information can be extremely valuable to future event planners as they decide how to most effectively use their available resources.

## 6. PROVIDE FEEDBACK AND THANK EVERYONE

Let your volunteers and contributors know how they did! You might consider preparing follow-up posters to let everyone know how much money was raised, what it was used for, how many donuts were sold, or how many people attended your wine-tasting party. Write a brief article highlighting the event for your agency or employee newsletter. People will be more inclined to participate in future events if you take time to provide feedback. These opportunities for feedback have the secondary benefit of positively enhancing your center's visibility. If you want to share your success and your ideas, send an article to the Office of Child Care and Development Programs' SHAPE newsletter.

Thank your volunteers and contributors. Try to be as personal as possible with key persons--handwritten notes from the board president or fundraising committee chair, children's artwork accompanied by their thanks, and/or telephone calls. Although ambitious, you may consider compiling a computer mailing list of all contributors and sending each a letter.



APPENDIX J  
FUNDRAISING IDEAS

## FUNDRAISING IDEAS

The fundraising ideas in this appendix come from child care centers across the country and several Federal agencies. They range in complexity and income-generating potential from an ongoing aluminum can drive and "spare change" day to a walk-a-thon and a silent auction.

Less complex events appear first, followed by events that require considerably more planning, advance funding, and coordination than others--and offer greater income potential. If your volunteer group is new to fundraising, you might want to start with the less complex events. As you gain experience, you can move to the events that will probably generate more income, but will require more effort.

These ideas are presented to get you started on your way to successful fundraising. You will want to tailor them to your agency and your center's situation--the amount of money you want to raise, volunteer talent available, timing, and experience.

We welcome your suggestions and comments; please send the to:

General Services Administration  
Office of Child Care and Development Programs  
18th and F Streets, NW  
Room 6119  
Washington, DC 20405

## ALUMINUM CAN DRIVE

### Potential Income:

This could be a good source of steady income. It probably will not generate a lot of money, but the time and energy investment is minimal, and the project is environmentally sound.

### What You Will Need:

- Large posters advertising can collection.
- Large, conveniently located containers to hold deposited cans.
- Storage area to accumulate bags of cans before recycling.
- Convenient recycling center that will pay for cans.

### You Will Need Volunteers To:

- Periodically collect cans from the large container, deliver them to a recycling center, collect money from the recycling center, and maintain container cleanliness.
- Save cans and bring them to a central location.
- Reconcile cash and checks (receive, count, deposit).

### Timing:

- Ongoing.

### Publicity:

- Fliers and posters strategically placed around the building.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.

### Tips for Success:

- Keep the collection area clean, and remove cans before the container overflows.
- Make sure a recycling center is convenient and that it will pay for cans.
- Obtain necessary building and agency approvals.

## "SPARE CHANGE" DAY

### Potential Income:

This event could generate hundreds of dollars with clever advertising and aggressive volunteers!

### What You Will Need:

- Large posters advertising the event.
- Attractive containers for spare change.
- You may want to develop a sticker or button to give donors.

### You Will Need Volunteers To:

- Collect spare change.
- Reconcile cash and checks (receive, count, deposit).

### Timing:

- Noon near cafeteria, elevators, or front lobbies where people gather.
- Anytime after a Federal payday.

### Publicity:

- Fliers and posters strategically placed around the building.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.

### Tips for Success:

- Try to develop a catchy theme or slogan to interest people.
- Volunteers collecting spare change could wear reader boards or center t-shirts to call attention to themselves.
- Call volunteers several days before the event to remind them what they offered to do or donate.
- Give donors a sticker or button as a "thank you. for supporting the center.
- Obtain necessary building and agency approvals.

## BAKE SALE

### Potential Income:

Approximately \$100-\$150 per sale with at least 50 donated items.

### What You Will Need:

- Poster for signing up--place strategically in center. You may want to include categories to ensure range of items (pies, cakes, coffee cakes...).
- Donated baked goods.
- Tables and table cloths to display goods.
- Napkins, paper plates, and plastic wrap (to divide items if necessary).
- Coffee and supplies if selling coffee.
- Cash box with adequate change supply.
- Refrigerator to store donated items overnight.

### You Will Need Volunteers To:

- Prepare and monitor sign-up poster.
- Bake, set up, and sell items.
- Reconcile cash and checks (receive, count, deposit).
- Clean up and take care of unsold items.

### Timing:

- Holidays or special events (Valentine's Day or Halloween cookies, Thanksgiving pies).
- If selling coffee break items (donuts or individual portions of cookies or coffee cake), set up early in the morning near a major building entrance or near an elevator where people wait. Sell coffee, too!
- Noon.
- After a Federal payday.

### Publicity:

- Fliers and posters strategically placed around the building.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.

### Tips for Success:

- Ask agency leaders to sell baked goods!
- Ask volunteers to deliver baked goods the day before your event (refrigerate if necessary); your setup will be more organized.
- Develop a price list and prepare price stickers before your event to make set-up easier.
- Adopt a theme--baked goods for an upcoming holiday or mid-morning coffee break.
- Call volunteers several days before the sale to remind them what they offered to do or donate.
- Obtain necessary building and agency approvals.

## BALLOON SALE

### Potential Income:

Depends on cost of balloons and related items (string or ribbon, helium), your markup, and number sold. Balloons generally are easy to sell.

### What You Will Need:

- Balloons and related items (helium, string or ribbons).
- Tables and table clothe to display balloons.
- Cash box with adequate change supply.

### You Will Need Volunteers To:

- Purchase balloons and supplies and deliver to site.
- Inflate and sell balloons.
- Reconcile cash and checks (receive, count, deposit).
- Clean up and take care of unsold items.

### Timing:

- Holidays or special events (Valentines Day, Halloween, Thanksgiving).
- Noon and after work.  
After a Federal payday.

### Publicity:

- Fliers and posters strategically placed around the building.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.

### Tips for Success:

- If possible, arrange with the balloon supplier to return unused balloons.
- Locate your table where people gather--major building entrance, elevators, cafeteria.
- Call volunteers several days before the event to remind them what they offered to do or donate.
- Obtain necessary building and agency approvals.

## CALENDAR SALE

### Potential Income:

Depends on cost of purchased or specially--created calendars and related costs, your markup, and number sold.

### What You Will Need:

- Purchased calendars, which may require up-front money. This approach is less ambitious than creating a calendar (such as with child art or photos taken within the center). OR
- Calendar prepared by volunteers.
- If calendars are sold at a table within the building, cash box with adequate change supply.
- Information packet for volunteers selling calendars outside of the building.

### You Will Need Volunteers To:

- Coordinate the event, if purchasing a ready-made calendar.
- Plan, design, collect art or photos, print, assemble, distribute if creating a calendar (such as with children's art).
- If selling calendars at a table in the building:
  - Coordinate, set up, and sell calendars.
  - Reconcile cash and checks (receive, count, deposit).
  - Clean up and take care of unsold calendars.
- If selling calendars outside the building:
  - Coordinate and sell.
  - Prepare an information packet for sellers.
  - Reconcile cash and checks (receive, count, deposit).

### Timing:

- November and December for the coming year.
- If sold within the building, set up table at noon when people gather.
- After a Federal payday.

### Publicity:

- Fliers and posters strategically placed around the building.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.

### Tips for Success:

- Try to take orders before spending money.
- Your agency may donate printing and binding services.
- Call volunteers several days in advance of deadlines to remind them what they offered to do or donate.
- Obtain necessary building and agency approvals.

## DONUT, POPCORN, HOT DOG, CHILI... SALE

### Potential Income:

Depends entirely on costs, markup, and quantity sold. The more you can get volunteers to donate, the greater your profit percentage. These items are good for sales, because they are generally easy to prepare and not complicated to sell.

### What You Will Need:

- Up-front money for items to be purchased.
- Items to be sold. Try to keep things simple.
  - For donuts: purchased donuts, napkins, coffee and supplies.
  - For popcorn: purchased ready-popped corn or suppliers to make popcorn (cookers and electrical outlets, kernels, oil, containers, salt or toppings, napkins), containers, beverages.
  - For hot dogs: hot dogs, buns, condiments, napkins, paper plates, grill or other way to cook hot dogs, electrical outlets, beverages, chips.
  - For chili: purchased or prepared chili, electrical outlets, large pots for heating chili, corn bread or other bread (butter), bowls, spoons, beverages, serving utensils.
  - Trash receptacles, cleanup supplies.
- Sign-up poster for volunteers to contribute items.
- Tables and table cloths to display goods.
- Cash box with adequate change supply.
- Refrigerator.

### You Will Need Volunteers To:

- Prepare and monitor sign-up poster.
- Take advance orders (for donut sale).
- Donate or prepare items.
- Pick up and deliver any purchased items.
- Sell and cleanup.
- Reconcile cash and checks (receive, count, deposit).

### Timing:

- Early morning (for donuts) and noon (for chili, hot dogs, popcorn).
- After a Federal payday.

### Publicity:

- Fliers and posters strategically placed around the building.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.

### Tips for Success:

- Ask agency leaders to sell.
- Ask volunteers to deliver items the day before your event (refrigerate as necessary); your setup will be more organized.
- Price items before your event to make set-up easier.
- Call volunteers several days before the sale to remind them what they offered to do or donate.
- Obtain necessary building and concessionaire approvals.



## GIFTWRAP SALE

### Potential Income:

Some giftwrap distributors will return 50 percent of total sales. This event could generate hundreds of dollars.

### What You Will Need:

- An arrangement with a giftwrap distributor to provide certain items (giftwrap, ribbon, gift tags) at an agreed-upon cost. The distributor likely will provide promotional materials and order forms. Giftwrap distributors include Innisbrook Wraps, Inc., in Greensboro, North Carolina [1(800)334-8461] and Current Catalog in Colorado Springs, CO [1(719)594-4100].
- If giftwrap orders are taken at a table within the built cash box with adequate change supply (request checks rather than cash) and table, chairs, and promotional materials.

### You Will Need Volunteers To:

- Take orders.
- Reconcile cash and checks (receive, count, deposit).
- Staff a table, if selling giftwrap within the building.

### Timing:

- October and November for end-of-the-year holidays.
- If sold within the building, set up table at noon every day for a week at a place or places where people gather.
- After a Federal payday.

### Publicity:

- Fliers and posters strategically placed around the building.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.

### Tips for Success:

- Collect checks (try to avoid cash) when receiving an order. This eliminates potential collection and nonpayment problems.
- Set a deadline, and call volunteers a week before to remind them that final orders are due.
- Obtain necessary building and agency approvals.

## T-SHIRT SALE

### Potential Income:

Depends on costs, your markup, and number sold. By purchasing in quantity and keeping all other costs low, you may be able to earn a profit of about \$5 per t-shirt sold.

### What You Will Need:

- Arrangement with a t-shirt distributor to supply t-shirts.
- Sample t-shirts in all sizes offered.
- If t-shirt orders are taken at a table within the building, cash box with adequate change supply (request checks rather than cash) and table, chairs, and promotional materials.

### You Will Need Volunteers To:

- Design t-shirt, unless distributor offers this service.
- Take orders.
- Reconcile cash and checks (receive, count, deposit).
- Staff a table, if taking t-shirt orders within the building.

### Timing:

- Beginning of school through the December holidays.
- If sold within the building, set up table at noon every day for a week at a place or places where people gather.
- After a Federal payday.

### Publicity:

- Fliers and posters strategically placed around the building. Posters should display a drawing of the t-shirt.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.

### Tips for Success:

- Collect checks (try to avoid cash) when receiving an order. This eliminates potential collection and nonpayment problems.
- Set a deadline, and call volunteers a week before to remind them that final orders are due.
- Obtain necessary building and agency approvals.

## SALE OF ITEMS FROM FUNDRAISING CATALOG

### Potential Income:

Depends entirely on how much you sell and what percentage you negotiate with the distributor. This fundraising event involves minimal coordination, and the items usually sell well.

### What You Will Need:

- Arrangement with Current\* (The Current Building, Colorado Springs, Colorado, 80941) or similar companies which publish a catalog with wrapping paper, stationery, cards, and miscellaneous seasonal items.
- If orders are taken at a table within the building, cash box with adequate change supply (request checks rather than cash) and table, chairs, and promotional materials.

### You Will Need Volunteers To:

- Take orders.
- Reconcile cash and checks (receive, count, deposit).
- Staff a table, if taking orders within the building.

### Timing:

- October and November for December holidays or anytime.
- If sold within the building, set up table at noon every day for a week at a place or places where people gather.
- After a Federal payday.

### Publicity:

- Fliers and posters strategically placed around the building.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.

### Tips for Success:

- Collect checks (try to avoid cash) when receiving an order. This eliminates potential collection and nonpayment problem.
- Set a deadline, and call volunteers a week before to remind them that final orders are due.
- Obtain necessary building and agency approvals.

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\* The Office of Child Care and Development Programs does not endorse or recommend any catalog company over another. This information is provided as a service, encouraging awareness of alternatives in company selection

## BOOK SALE

### Potential Income:

A local children's bookseller might be willing to donate up to 20 percent of the sale price of books purchased over a certain period of time. You may be able to negotiate a cash payment instead; otherwise, you could use the 20 percent credit to purchase books for your center. One option is to have an open house at the bookseller's and serve simple refreshments like cheese and wine.

### What You Will Need:

- Arrangement with a children's bookseller.
- Invitations if you hold an open house.

### You Will Need Volunteers To:

- Negotiate with a children's bookseller.
- Send invitations.
- Plan, prepare, purchase, and serve refreshments and clean up.
- Reconcile cash and checks (receive, count, deposit), unless the bookseller does this.
- Select appropriate children's books for the center if the bookseller returns your profit as a store credit.

### Timing:

- An evening in early December or the beginning of the school year. Maybe repeat the event the following Saturday morning.
- After a Federal payday.

### Publicity:

- Invitations.
- Fliers and posters strategically placed around the building.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.

### Tips for Success:

- Try to negotiate with the bookseller to conduct all business. This eliminates your need to handle books and money. Your responsibilities then would primarily be advertising and serving refreshments.
- Call volunteers several days before the event to remind them what they offered to do or donate.

## SALE OF VARIOUS ITEMS SUPPLIED BY FUNDRAISING COMPANIES

### Potential Income:

Proceeds from the sale of candy, holiday items, and flowers purchased from fundraising companies will vary depending on the percentage return you negotiate with the company and the dollar amount of items sold. This type of fundraiser generally is low risk, because orders are taken and money is collected before items are delivered; no advance purchases are necessary.

### What You Will Need:

- Arrangement with a distributor.
- If orders are taken at a table within the building, cash box with adequate change supply (request checks rather than cash) and table, chairs, and promotional materials.

### You Will Need Volunteers To:

- Negotiate with a distributor.
- Reconcile cash and checks (receive, count, deposit).
- Staff a table, if taking orders within the building.

### Timing:

- Anytime, or around a holiday if selling seasonal items
- After a Federal payday.

### Publicity:

- Fliers and posters strategically placed around the building.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.

### Tips for Success:

- Collect checks (try to avoid cash) when receiving an order. This eliminates potential collection and nonpayment problem.
- Set a deadline, and call volunteers a week before to remind them that final orders are due.
- Obtain necessary building and agency approvals.

## CHRISTMAS TREE SALE

### Potential Income:

Depends on cost of trees and related costs, your markup, and number sold. This event could generate considerable income, but risks are high and much effort is required.

### What You Will Need:

- Good supply of Christmas trees (varying sizes). Try to negotiate a wholesale price to allow for a good markup.
- Optional: tree stands, saws, lights, other related items.
- Secure outdoor space to display trees; lights and a tent are necessary if you want to sell trees in the evenings.
- Cash box with adequate change supply.

### You Will Need Volunteers To:

- Coordinate and order trees and related items.
- Coordinate volunteer selling schedule.
- Set up selling space and price trees.
- Sell trees (weekdays, evenings, and weekends).
- Reconcile cash and checks (receive, count, deposit).  
Clean up periodically and at the end of the sale.

### Timing:

- Christmas season.

### Publicity:

- Well-lit and signed selling area.
  - Fliers and posters strategically placed around the building.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.
- Public Service Announcements over local radio stations.

### Tips for Success:

- Advertise early so people can plan on buying their trees. You likely will have to pay for trees before selling them, so early advertising is especially important.
- Make sure you have enough volunteers to sell the trees. It often is difficult to get volunteers for weekends and evenings.
- Call volunteers several days in advance to remind them what they offered to do or donate.
- Obtain necessary building or agency approvals.

## TICKET SALES FOR ATHLETIC OR CULTURAL EVENTS

### Potential Income:

Depends on the number of tickets sold, the frequency of the event, and the event itself. Centers have reported profits of \$2000 from ticket sales.

### What You Will Need:

- A local athletic team or fine arts organization that will sell group tickets at a discount.

### You Will Need Volunteers To:

- Obtain schedule of athletic or other local events.
- Contact teams, fine arts organizations, or ticket offices to purchase tickets.
- Sell tickets (if tickets are to be sold in the building lobby, you will need table(s), chairs, cash boxes).
- Reconcile checks and cash (receive, count, deposit).

### Timing:

Well in advance of the event.

### Publicity:

- Fliers and posters strategically placed around the building.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.

### Tips For Success:

- Market the event as an office get-together.
- Make this an annual event that participants can anticipate on a regular basis.
- Prepare colorful posters. Some athletic clubs and entertainment organizations will provide publicity materials.

## FRIENDS CAMPAIGN

### Potential Income:

Depends on the monetary increments of "friends" (i.e., "Good Friend," "Best Friend," etc.) contributions.

### What You Will Need:

- Up-front money to purchase buttons.
- Distributor to obtain buttons to give to contributors signifying their level of contribution.
- Large posters advertising the campaign.
- Tables, chairs and cash box with adequate change supply.

### You Will Need Volunteers To:

- Contact distributor to design and obtain buttons. A volunteer can design your button.
- Staff a table during campaign.
- Reconcile checks and cash (receive, count, deposit).

### Timing: -

- After a Federal payday.

### Publicity:

- Fliers and posters strategically placed around the building.
- Multiple copies of fliers for parent mailboxes.
- Agency or employee association newsletters.

### Tips for Success:

- Ask agency head to kick-off campaign as "first friend."
- Ask "friends" to wear their button during the duration of campaign.
- Ask parents of children enrolled in the center to become "friends" and recruit others to do the same.
- Hold parent education classes during a lunch and suggest that participants become friends of the center.
- Set up a "friends" table during fundraising events. Include center brochures and a display of photographs of the center.



## COOKBOOK SALE

### Potential Income:

Depends on cost of developing cookbooks, related costs, your markup, and number sold. This event could generate considerable income, but much effort and time are required, especially if you prepare your own cookbook.

### What You Will Need:

- A publishing company willing to prepare a cookbook from your recipes OR
- A cookbook prepared by volunteers (perhaps your agency will donate printing and binding services).
- Donated recipes.
- If cookbooks are sold at a table within the building, cash box with adequate change supply, table, table covering, sample cookbooks, chairs.

### You Will Need Volunteers To:

- Coordinate the preparation of the cookbook, from soliciting recipes to negotiating with a publishing company OR
- Plan, design, collect recipes, print, assemble, distribute if creating a cookbook.
- If selling cookbooks at a table in the building:
  - Coordinate, set up, and sell cookbooks.
  - Reconcile cash and checks (receive, count, depot).
  - Clean up and take care of unsold cookbooks.
- If selling cookbooks outside the building:
  - Coordinate and sell.
  - Prepare the information packet for sellers.
  - Reconcile cash and checks (receive, count, deposit).

### Timing:

- Anytime.

### Publicity:

- Fliers and posters strategically placed around the building.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.

### Tips for Success:

- Try to take as many orders as you can before spending money.
- Your agency may donate printing and binding services.
- Call volunteers several days in advance to remind them what they offered to do or donate.
- Develop a catchy brochure requesting that people donate recipes. Consider having a theme: regional foods, family favorites, holiday foods.

## FASHION SHOW AND LUNCHEON

### Potential Income:

Many factor" affect potential income. Your income will be greater if you can get volunteers to donate food and prepare the lunch rather than having lunch catered or served in a restaurant. You can either arrange with a store to supply clothes to be modeled or have volunteers model their own clothes.

### What You Will Need:

- Clothes to be modeled and models.
- Arrangement with a caterer or restaurant OR
- Volunteer-prepared lunch and all related supplies (tables, chairs, tableware).
- Large space (with complete kitchen if volunteers are preparing lunch).
- Sign up poster for volunteers to contribute items.
- Tickets.
- Cash box with adequate change supply for last-minute ticket purchases.

### You Will Need Volunteers To:

- Prepare and monitor sign up poster.
- Sell advance tickets.
- Donate or prepare items.
- Coordinate with restaurant or caterer.
- Coordinate modeling (who, source of clothes).
- Help on the day of the fashion show (master of ceremonies, collect tickets, serve lunch, clean up).
- Reconcile cash and checks (receive, count, deposit).

### Timing:

- Lunchtime (11:30 a.m.-1:00 p.m.)
- After a Federal payday.

### Publicity:

- Fliers and posters strategically placed around the building.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.
- Public Service Announcements over local radio stations.

### Tips for Success:

- Develop a theme (holiday clothes, active wear, new seasonal clothes).
- If your attendance will be high, notify the building cafeteria so they will not overcook for the day.
- Ask volunteers to deliver items the day before your event (refrigerate as necessary); lunch preparation will be more organized.
- Call volunteers several days before the event to remind I them what they offered to do or donate.
- Obtain necessary building and agency approvals.

## GOLF OUTING

### Potential Income:

If you sell each golf hole to a sponsor (for \$100), arrange for no-cost or low-cost greens fees with a golf club, and charge players a \$25 greens fee, you could clear close to \$2,000. Your profit will depend on what else you provide: lunch, refreshments, prizes, token gifts (t-shirts). The more you can get volunteers to donate, the greater will be your profit.

### What You Will Need:

- A golf course that will donate the cost of greens fees.
- Signs at each hole advertising the sponsoring organization.
- Prizes or gifts--possibly donated--by area businesses.
- Tickets.

### You Will Need Volunteers To:

- Solicit organizations to sponsor golf holes and donate prizes.
- Sell tickets to golfers.
- Organize playing times and groups.
- Make a sign for each hole.  
Prepare score chart and award prizes.
- Help on the day of the event.
- Reconcile cash and checks (receive, count, deposit).

### Timing:

- During golfing weather.
- After a Federal payday.

### Publicity:

- Fliers and posters strategically placed around the building and at the golf club.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.
- Public Service Announcements over local radio station:

### Tips for Success:

- The success of this event hinges on how much you can go organizations to donate, how much you will have to pay the golf club, and how many players you can get. Active soliciting is crucial.
- Call volunteers several days before the event to remind them what they offered to do or donate.
- Obtain building and agency approvals.
- Written agreement with prize donors.

## SILENT AUCTION

### Potential Income:

The income potential is great, but this event takes considerable work.

### What You Will Need:

- Donated items and services to be auctioned, such as: jewelry, art, books, items from local businesses, tickets to events, time with top management (lunch, meeting), services (haircuts, manicures, photography, catered dinner), get-away weekends, restaurant meals, lessons (golf, tennis).
- List of donated items so that people can prepare sealed bids.
- Facility and refreshments if you are planning a party at which bids would be opened.
- Need security for items on display and locked storage box.
- Table and chairs for taking sealed bids.

### You Will Need Volunteers To:

- Solicit services and items.
- Solicit bids and payment.
- Receive and distribute items to winners.
- Coordinate with restaurant or caterer if a party is planned.
- Help on the day of the event (host, serve food, open bids).
- Reconcile cash and checks (receive, count, deposit).

### Timing:

- Anytime.
- After a Federal payday.

### Publicity:

- Fliers and posters strategically placed around the building.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.

### Tips for Success:

- Display bid sheets at a centrally located table at noon for a week.
- The key to this event's success is the appeal of the items and services. Be creative in soliciting donations.
- Call volunteers several days before the event to remind them what they offered to do or donate.
- Obtain building and agency approvals.

## WALK-A-THON

### Potential Income:

Depends on how many participants you have and how many sponsors you can solicit. One child care center raised over \$12,000.

### What You Will Need:

- Sponsor sheets for walkers.
- A predetermined, well-marked course with vehicular traffic limited.
- Cups and water along the course.
- Prizes or other form of recognition;
- "Numbers" for walkers to wear.

### You Will Need Volunteers To:

- Sign up sponsors, walk, and collect donations.
- Sign up walkers and distribute sponsor sheets.
- Lay out course and arrange with local police for limited vehicular traffic.
- "Start" the walk-a-thon (top agency manager?) and greet finishers.
- Help on the day of the event (take care of water and cups, clean up)
- Arrange to have a nurse or paramedic on site to treat any injuries.
- Reconcile cash and checks (receive, count, deposit).

### Timing:

- Anytime during pleasant weather.
- Noon.
- After a Federal payday.

### Publicity:

- Fliers and posters strategically placed around the building.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.
- Public Service Announcements over local radio stations.

### Tips for Success:

- Your agency might grant clearance for administrative leave for walkers.
- Assure that walkers do not solicit contributions from subordinates. Sponsorship for superiors can be solicited by subordinates as long as names are kept confidential.
- Collect donations as soon as the event is completed. Set a deadline.
- Call volunteers several days before the event to remind them what they offered to do or donate.
- Obtain building and agency approvals.

## VALENTINE DELIVERY

### Potential Income:

Depends on costs, markup, and quantity sold. The delivery can include handmade cards, or flowers. A booth is set up several prior to delivery date for the sale of items. On the delivery date, the children, accompanied by a teacher, deliver the items.

### What You Will Need:

- Arrangement with a florist wholesaler or retailer to provide flowers.
- Staff to assist the children in the creation of cards.
- If orders are taken at a table within the building, cash box with adequate change supply (request checks rather than cash), table, chairs, and promotional materials.

### You Will Need Volunteers To:

- Negotiate with florist vendor or assist teachers and children with the cards.
- Reconcile cash and checks (receive, count, deposit).
- Staff a table, if taking orders within the building.

### Timing:

- After a Federal payday the sale of the items should begin.

### Publicity:

- Fliers and posters strategically placed around the building.
- Multiple copies of a flier for parent mailboxes.
- Agency or employee association newsletters.

### Tips for Success:

- Collect checks (try to avoid cash) when receiving an order. This eliminates potential collection and nonpayment problems.
- Set a deadline, and call volunteers a week before to remind them that final orders are due.
- Obtain necessary building and agency approvals.

## **APPENDIX K**

### **TUITION ASSISTANCE GUIDE**

## GENERAL GUIDELINES FOR TUITION ASSISTANCE PROGRAM

### INTRODUCTION

A major emphasis in child care programs for children of Federal families is to provide care for employees from all grade levels. Equity can be addressed through active fundraising and tuition assistance programs. Most fundraising efforts, in fact, should be targeted for the tuition assistance program.

Quality programs are operated with well-qualified staff whose pay and benefits should be commensurate with their qualifications. Paying for the true cost of child care, therefore, has been a problem for most families with young children. In order to offer a quality program and, at the same time, address the affordability issue, programs must charge the market rate for tuition and also establish a tuition assistance program for their families.

Tuition assistance is generally offered as a partial reduction in tuition fees. The amount of the reduction will depend on monies available as well as the financial situation of the individual family who applies.

Fundraising for the tuition assistance program is conducted by the Board of Directors. It is imperative that the program is well-publicized throughout the agency or agencies and potential applicants know how and where to make application.

The following sections describe the establishment of the review committee, developing guidelines, the application and review process, record-keeping, and publicizing the program.



## STEP 1: ESTABLISHING THE REVIEW COMMITTEE

Tuition assistance is a function of center finances and should be delegated by the Board to a committee. The size of the committee should be relatively small (3-5 members) to facilitate attendance at meetings, and should have an odd number of members to prevent tie votes. In determining committee composition, the Board might consider some of the following options:

1. The Treasurer of the Board may sit on the committee, or may choose to have the committee report to him/her. If the Treasurer does not sit on the committee, another Board member can volunteer or be appointed to represent the Board.
2. A financial officer of a bank or credit union can add a professional perspective on the applications due to experience with loan applications. He/she can help determine those applicants who, even with assistance, are poor credit risks for the center.
3. A member of the sponsoring agency who does not have children attending the center may be invited to be a member. If the center uses Combined Federal Campaign (CFC) contributions to help fund tuition assistance, an agency representative in the campaign may wish to help the committee.
4. The Director of the Center may sit on the committee as a non-voting member to give counsel regarding the families and any other information pertinent to the applications.

## STEP 2: DRAFTING OPERATIONAL GUIDELINES

The committee should draft a set of guidelines for reviewing the applications which can be kept on file in the office for parents to review. The guidelines should include:

- \*Purpose of the program
- \*Eligibility
- \*Terms of assistance
- \*Composition of the committee
- \*Application process
- \*Review procedures
- \*Circumstances for termination of tuition assistance

### STEP 3: APPLICATION AND REVIEW PROCESS

The Application. A sample application and cover letter are included in this section for your information. It is important that applicants understand that required documentation must accompany the application or the application will not be considered. Incomplete information slows down committee decisions by requiring additional meetings.

Confidentiality: All persons involved in the tuition assistance process must understand that applicants are sharing confidential information, and therefore, expect to have their applications treated with discretion. No one receiving the applications such as office personnel, director and committee members must never divulge any information related to tuition assistance. To safeguard the information, the center may wish to consider the following precautions:

1. When applications are accepted in the center office by the Director, she should place them in a locker file cabinet or safe, before and after review.
2. All information identifying the family and child should be removed from the application and support documents. Applications should be reviewed by the committee without identifying the child/family's name. Applications can be coded with an identifying number by the director or other person not involved with the committee's decisions.
3. Board members not sitting on the committee as well as teaching staff in the center should not have access to any internal information related to tuition assistance.

#### The Review Process.

1. Committee meetings can be scheduled to prepare for major enrollment periods in the center's yearly program; for example, in July for Fall enrollment, and/or in April for summer enrollment. If the Board designates a certain

percentage or amount of available assistance funds for emergency needs (such as a radical decline in family income), there should be provision for calling an emergency session of the committee.

2. Review of the applications should take place within a reasonable period of time after the application deadline. For example, if applications must be in by July 1, the committee should review applications within one to two weeks after the deadline.

3. Review criteria should be explained clearly to applicants in the application materials. These criteria may include such factors as

- \*Family income;
- \*Discretionary income;
- \*Family size (minor and adult dependents);
- \*Family expenses;
- \*Assets and liabilities;
- \*Relative need among applicants;
- \*Number of applicants;
- \*Economic impact on the center;
- \*Any other special qualifications, such as donations for a designated classification of applicant (scholarship for a union member's child; donation to assist a single parent from a sorority or fraternity, etc.).

4. The committee may reserve the right to ask for additional information or clarification from an applicant. Anonymity can be preserved by channeling such requests through the director.

5. Awards. The amount of tuition assistance awarded any family should be a percentage of the child's fees. [The family must contribute toward the children fees to the extent that they are able to do so.] The percentage range of award should be decided by the Board of Directors on recommendation of the committee.

Other factors which affect the amount of award include:

- \*Discounts for siblings;
- \*Movement of a child from one fee category to another;
- \*Length of time tuition assistance is needed.

EXAMPLE 1:

If the family of an infant receives a discount of 20% on a fee of \$130/week, the discount would be \$26, resulting in a fee of \$104/week. If the child moves into another fee category within the period of the award (to a rate of \$115), the award should be adjusted by the committee. The family is not automatically entitled to a 20% discount.

EXAMPLE 2:

An applicant family may already be enrolled in the program but may be going through a period of unemployment for one of the parents. The committee may decide to award a temporary, reduction of 30% for a period of three months with the option to renew the award. This short-term measure will allow the child to remain enrolled, and give the unemployed parent additional time to seek employment.

6. Notification of the committee's decision should be sent from the Board of Directors to all applicants within two weeks of the meeting. The committee may choose to have the letter constitute an agreement between the family and the center which is then signed and sent back to the office. (See SAMPLE NOTIFICATION LETTER). All applicants not receiving assistance should be given a reason for denying the application.

7. Provision for reconsideration may be granted at the next regular review of applications and the option of adding information to the original application.

8. The Board may reserve the right to review the need for assistance at any time. It is advisable to review applications semi-annually, request current pay stubs and any other significant changes in the application.

9. Any applicant granted tuition assistance should be required to reapply yearly.

#### Step 4: RECORD-KEEPING

Storing records. A committee member should be designated to collect all applications from the Director for review, keep them in confidence, and return them to her for filing in a secured location. It is useful to have a record sheet on which is written the date of the meeting, the committee members present, and the disposition of all reviewed applications. The record sheet is filed with the individual file for future committed reference.

Funds. It is advisable that tuition assistance not be issued directly to approved applicants. Instead, the family makes payment in the amount of the reduced tuition. Funds can then be transferred on a regular basis from the tuition assistance account to the center's operating account.

#### Step 5: PUBLICIZING TUIITION ASSISTANCE PROGRAM

It is important that information regarding tuition assistance be included in any materials which publicize the program. Such materials might include:

- \*Brochures
- \*Application packets
- \*Posters and flyers recruiting new families
- \*Parent's Manual

Families should be made aware that applications are always readily available from the office, and that they are welcome to apply at any time.

Publicity should include information which clearly states that proceeds will be used to help families with tuition. If the Center has been able to assist single parent families, that fact should be publicized. If the Center raises tuition assistance funds by participating in the Combined Federal Campaign, and/or sponsors special events such as auctions or sales, the events can help publicize tuition assistance to prospective families as well as to donors.

#### CONCLUSION

Providing tuition assistance to a sizable number of Federal families should be a goal for every child care center. A minimum of 5% of the gross operating budget is suggested. Tuition assistance programs help to maintain quality centers through quality staffing while, at the same time, insuring accessibility to all families.

SAMPLE COVER LETTER TO ACCOMPANY APPLICATION  
TUITION ASSISTANCE PROGRAM

Dear Parents,

The Board of Directors of (Name of Center) has approved a budget for the Tuition Assistance Program for the period of (Dates). Some financial assistance will be available for families demonstrating financial need.

Financial need will be determined on the basis of family income and expenses, family size, and any extenuating circumstances which impact on a family's ability to pay child care fees. All families with children currently enrolled or those planning to enroll may apply. The center aims to assist as many families as possible within the limitations of the resources available and considering the overall economic impact on the Center. There will be several partial scholarships ranging from (percentages) of the tuition per child. Application and other miscellaneous fees must be paid by the family and are not included in the tuition assistance program.

Applicants for tuition assistance must complete an application and submit support documentation to include: the most recent Federal income tax return as well as two pay stubs. Applications are available from the Director of the center, and are included in the admissions package. The Tuition Assistance Guidelines are also available for review at the Director's office. All information submitted as part of the financial assistance application form as well as the final determinations on the applications will remain confidential.

Applications for tuition assistance may be submitted at any time. Regular review of the applications will be scheduled as follows: (schedule of review).

The center is an equal opportunity organization and does not discriminate based upon sex, race, color, religion, or national origin.

Sincerely,

SAMPLE TUITION ASSISTANCE APPLICATION

NAME AND ADDRESS OF CENTER

Application No\_\_\_\_\_

PART I

(To be retained by Director)

Only one application per family is required. If you are applying for tuition assistance for more than one child in your family, please supply the requested information for each child on the same form.

Child(ren)'s Name:\_\_\_\_\_

APPLICANT'S NAME:\_\_\_\_\_

ADDRESS:\_\_\_\_\_

HOME PHONE:\_\_\_\_\_ WORK PHONE:\_\_\_\_\_

SPOUSE'S NAME:\_\_\_\_\_

ADDRESS:\_\_\_\_\_

HOME PHONE:\_\_\_\_\_ WORK PHONE:\_\_\_\_\_

Do you wish to have your pay stubs and income tax copy returned to you or destroyed once the evaluation is completed?\_\_\_\_\_

SIGNATURES

I/we state that everything I/we have stated in this application is correct to the best of my/our knowledge and that the above information is a complete listing of my/our income, debts, and obligations.

\_\_\_\_\_  
Mother/Guardian's Signature

DATE\_\_\_\_\_

\_\_\_\_\_  
Father/Guardian's Signature

DATE\_\_\_\_\_

The (Name of Center) is an equal opportunity organization and does not discriminate based upon sex, race, color, religion, or national origin.



NAME AND ADDRESS OF CENTER  
APPLICATION FOR TUITION ASSISTANCE  
PART II

Application No. \_\_\_\_\_

Date: \_\_\_\_\_

Only one application per family is required. If you are applying for tuition assistance for several children in your family, please supply the requested information for each child on the same form.

Child(ren)'s Birth date(s): \_\_\_\_\_

With whom do(es) the child(ren) live (no names please) ? \_\_\_\_\_

Number of family members in household: \_\_\_\_\_

Total financial assistance requested (by regular fee period, i.e., bi-weekly, monthly, etc.) \_\_\_\_\_

For what period is tuition assistance requested? \_\_\_\_\_

If your child is not yet enrolled, when would you like your child to begin attending the center? \_\_\_\_\_

Mother/Guardian information:

EMPLOYER: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

MARITAL STATUS: SINGLE: \_\_\_\_\_ ; MARRIED \_\_\_\_\_ DIVORCED \_\_\_\_\_

Father/Guardian information:

EMPLOYER: \_\_\_\_\_

—  
ADDRESS: \_\_\_\_\_

—  
MARITAL STATUS: SINGLE: \_\_\_\_\_ ; MARRIED \_\_\_\_\_ DIVORCED \_\_\_\_\_

NUMBER OF OTHER CHILDREN: \_\_\_\_\_ AGES: \_\_\_\_\_

PRESENT CHILD CARE ARRANGEMENTS: \_\_\_\_\_

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NAME AND ADDRESS OF CENTER  
APPLICATION FOR TUITION ASSISTANCE  
PART III

Application No. \_\_\_\_\_

Please provide the **total current average gross monthly** income and expenses of the child(ren)'s household. This data; will be compared to your pay stubs and income tax return data, and will remain on file and confidential.

INCOME	EXPENSES
Your SALARY _____	RENT/MORTGAGE _____
Spouse's SALARY _____	CREDIT CARDS _____
ALIMONY _____	UTILITIES _____
CHILD SUPPORT _____	OTHER LOANS _____
OTHER INCOME _____	CHILD CARE _____
	AUTO LOAN(S) _____
	TRANSPORTATION _____
	INSURANCE _____
	(Health , other) _____
	RETIREMENT _____
	OTHER(LIST) _____
	INCOME TAXES _____
TOTAL INCOME _____	TOTAL EXPENSE _____

PLEASE NOTE: Evidence of your income must this application. Evidence must consist of copies of your past two pay stubs and your latest income tax return(s) for each income earner in the child(ren)'s household.

Please attach to this application a statement indicating any additional reasons or circumstances that you may wish to have considered. Special attention should be given to explaining unusual expenses, such as medical/health care, dependents, etc.

-----DO NOT WRITE BELOW THIS LINE-----  
---

DATE \_\_\_\_\_ APPROVAL: YES \_\_\_\_\_ NO \_\_\_\_\_ RATE-  
\_\_\_\_\_

REASON FOR DISAPPROVAL:

SIGNATURES \_\_\_\_\_ OF  
COMMITTEE: \_\_\_\_\_

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SAMPLE LETTER OF NOTIFICATION AND AGREEMENT  
TUITION ASSISTANCE PROGRAM

CENTER NAME AND ADDRESS

DATE

Dear \_\_\_\_\_,

The Tuition Assistance Committee of (Name of center) has met and decided that based on the merits of your application and support documents that:

\_\_\_\_\_ You are awarded tuition assistance in the amount of \$\_\_\_\_\_ which represents a \_\_\_\_\_% discount on your child's regular fee. Beginning on (date). your (biweekly. monthly) tuition payment will be \$\_\_\_\_\_. This rate remains in effect until (date). If your child moves to a group with a lower tuition rate during this period, the tuition amount will be adjusted to reflect the new rate.

\_\_\_\_\_ Your application has been declined at this time. Unfortunately the available funds could not satisfy all the applications received. Please feel free to apply before the next review on (date).

\_\_\_\_\_ Other reason:

TERMS OF AGREEMENT

This award in no way exempts you from your other obligations as an enrolled family, such as late payment fees, late pick-up fees, etc. If your financial status changes significantly,

you are obliged to notify the tuition assistance committee.  
You will need to apply for review after (period of time).

If you agree to the above terms, indicate by signing the original copy of this letter and returning it to the office.  
The extra copy may be kept for your records.

Sincerely,

Committee Member

SIGNED: \_\_\_\_\_

(Parent's name)

DATE: \_\_\_\_\_